This Asset Valuation Report is prepared in accordance with the Chinese Valuation Standards

Asset Valuation Report

on the Project of the Market Value of the Asset Package Formed by the Entire Equity Interest and Claims of MCC Real Estate Group Co., Ltd. Held by Metallurgical Corporation of China Ltd., Involved in the Proposed Overall Transfer of Equity and Claims by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010157
(Volume 1 of 1)

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Contents

CONTENTS ..... - 1 -

STATEMENT ..... - 2 -

SUMMARY ..... - 4 -

TEXT ..... - 7 -

I. General Information on the Client, the Title-Holding Entities, and Other Users of the Asset Valuation Report as Stipulated in the Asset Valuation Engagement Contract ..... - 7 -

II. Valuation Purpose ..... - 9 -

III. Valuation Object and Scope ..... - 9 -

IV. Bases of Value and Definitions ..... - 21 -

V. Valuation Date ..... - 22 -

VI. Valuation Bases ..... - 22 -

VII. Valuation Method ..... - 31 -

VIII. Application of Specific Valuation method for Various Assets under the Asset-Based Approach ..... - 33 -

IX. Implementation Process and Situation of the Valuation Procedures ..... - 35 -

X. Valuation Assumptions ..... - 39 -

XI. Valuation Conclusion ..... - 42 -

XII. Notes for Special Matters ..... - 43 -

XIII. Restrictions on the Use of the Asset Valuation Report ..... - 58 -

XIV. Date of the Asset Valuation Report ..... - 59 -

Statement

I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.

II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.

III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.

VI. The inventory of assets and liabilities related to the valuation object has

been declared by the Client and the title-holding entities, and confirmed by them through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.

VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.

VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on the Project of the Market Value of the Asset Package Formed by the Entire Equity Interest and Claims of MCC Real Estate Group Co., Ltd. Held by Metallurgical Corporation of China Ltd., Involved in the Proposed Overall Transfer of Equity and Claims by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010157

Summary

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. (hereinafter referred to as "MCC") to appraise the market value of the asset package formed by the entire equity interest and corresponding claims of MCC Real Estate Group Co., Ltd. held by MCC, involved in the proposed overall transfer of equity and claims, as of the valuation date, July 31, 2025. The main content of this Asset Valuation Report is summarized below:

I. Valuation Purpose: According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. (hereinafter referred to as "MCC") intends to conduct the overall transfer of equity and claims. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to appraise the market value of the asset package formed by the entire equity interest and corresponding claims of MCC Real Estate Group Co., Ltd. (hereinafter referred to as "MCC Real Estate") held by MCC, involved in the aforementioned transaction, to serve as a reference for the value of the transaction.

II. Valuation Object and Scope: The appraisal object in this valuation is the market value of the asset package formed by the entire equity interest and claims of MCC Real Estate Group Co., Ltd. held by MCC. The scope of the appraisal covers the equity and claims of MCC Real Estate held by MCC. As of the valuation date, July 31, 2025, the book value of MCC's long-term equity investment in MCC Real Estate was RMB 10,814,518,100, and the book value of MCC's receivables from MCC Real Estate was RMB 46,163,792,600.

III. Bases of Value: Market value.

IV. Valuation Date: July 31, 2025.

V. Valuation Method: Asset-based approach

VI. Valuation Conclusion: The appraised value of the asset package formed by the entire equity interest and claims of MCC Real Estate Group Co., Ltd. held by MCC is RMB 31,236,589,800 (in words: Thirty-one Billion Two Hundred and Thirty-six Million Five Hundred and Eighty-nine Thousand Eight Hundred Yuan Only).

VII. Validity Period of the Valuation Report: In accordance with relevant regulations, the validity period of the valuation conclusion of this report is, in principle, one year from the valuation date, that is, from July 31, 2025 to July 30, 2026.

VII. Special Matters Affecting the Valuation Conclusion: When using this valuation conclusion, users of this Valuation Report are advised to note the valuation assumptions, limiting conditions, and special matters set forth in the main text of the Report, as well as their impact on the valuation conclusion, and to give them full consideration.

The above content is extracted from the main text of the Valuation Report. To get details of this valuation project and correctly understand and use the valuation conclusion, users shall read the main text of the

Valuation Report.

Asset Valuation Report

on the Project of the Market Value of the Asset Package Formed by the Entire Equity Interest and Claims of MCC Real Estate Group Co., Ltd. Held by Metallurgical Corporation of China Ltd., Involved in the Proposed Overall Transfer of Equity and Claims by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010157

Text

To MCC,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to appraise the market value of the asset package formed by the entire equity interest and claims of MCC Real Estate Group Co., Ltd. held by MCC, involved in the proposed overall transfer of equity and claims, as of the valuation date, July 31, 2025. The appraisal was conducted in accordance with laws, administrative regulations, and asset valuation standards, adhering to the principles of independence, objectivity, and impartiality, using the asset-based approach and following the necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. General Information on the Client, the Title-Holding Entities, and Other Users of the Asset Valuation Report as Stipulated in the Asset Valuation Engagement Contract

(I) Overview of the Client and the Title-Holding Entities

Company Name: MCC

Unified Social Credit Code: 91110000710935716X

Company Type: Joint stock limited company (listed, state-controlled)

Legal Representative: Chen Jianguang

Registered Capital: RMB 20,723,619,170

Domicile: No. 28 Shuguang Xili, Chaoyang District, Beijing

Establishment Date: December 1, 2008

Business Term: December 1, 2008 to No Fixed Term

Business Scope: Domestic and international engineering consulting, survey, design, and general contracting; engineering technology consulting services; leasing of engineering equipment; technology development, technical services, technical exchange, and technology transfer of new materials, new processes, and new products related to engineering and construction; development, production, and sale of equipment required for the metallurgical industry; planning, survey, design, supervision, and services for construction and mechanical & electrical equipment installation projects, as well as related research; investment, processing, utilization, and sale of metallic mineral products; property development and operation; tendering agency; import and export business; sales of mechanical and electrical products, cars, building materials, instruments and meters, and hardware and electrical equipment. (Market entities shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the national and municipal industrial policies.)

(II) Other Users of the Valuation Report as Stipulated in the Asset Valuation Engagement Contract

The asset valuation engagement contract stipulates that there are no other users of the asset valuation report.

Except as otherwise provided by national laws and regulations, no valuation institution or individual may become a user of the asset valuation report solely by obtaining the valuation report without confirmation from the asset valuation firm and the client.

II. Valuation Purpose

According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), MCC proposed an overall transfer of equities and claims. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to valuate the market value of the shareholders' total equity interest of MCC Real Estate Group Co., Ltd. and the claims held by MCC in MCC Real Estate and its subsidiaries involved in the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. Valuation Object and Scope

(I) Appraisal Object and Scope

The appraisal object of this project is the market value of the asset package formed by the entire equity interest and claims of MCC Real Estate held by MCC. The appraisal scope covers the equity and claims of MCC Real Estate held by MCC. As of the valuation date, July 31, 2025, the book value of MCC's long-term equity investment in MCC Real Estate was RMB 10,814,518,100, and the book value of MCC's receivables from MCC Real Estate was RMB 46,163,792,600.

The above appraisal object and scope are consistent with those involved in the relevant transaction. Baker Tilly China Certified Public Accountants (Special

General Partnership) has audited the book values of the equity and claims included in this appraisal scope and issued a standard unqualified audit report. This appraisal is based on the company's financial statements after audit.

(II) Major Assets within the Appraisal Scope

1.Long-term equity investments, which mainly consist of MCC's long-term equity investment in MCC Real Estate, detailed as follows:

Table of Long-term Equity Investments

Unit: RMB 10,000

No.	Name of Invested Entities	Investment Date	Investment Term	Shareholding Ratio	Original Investment	Book Value
1	MCC Real Estate Group Co., Ltd.	2006-5-1	Long-term	100%	1,000,000.00	1,081,451.81
Total						1,081,451.81
Less: Provision for Impairment of Long-term Equity Investment						-
Net Amount						1,081,451.81

Long-term equity investments:

(1) Basic Information of the Company

Company Name: MCC Real Estate Group Co., Ltd.

Former Name: MCC Real Estate Co., Ltd.

Unified Social Credit Code: 91110108801489416U

Company Type: Limited liability company (sole proprietorship of legal person)

Legal Representative: Lei Qing

Registered Capital: RMB 10 billion

Domicile: 29F (25), 30F (26), No. 17 Madian East Road, Haidian District, Beijing

Establishment Date: September 5, 2001

Business Term: From September 5, 2001, to September 4, 2031

Business Scope: Licensed items: Real estate development and operation. (For items subject to approval in accordance with the law, business activities can

be carried out only with approval of relevant departments, and specific items shall be subject to approval documents or certificates of related departments) General items: information consulting services (excluding licensed information consulting services); property management; real estate consulting; engaging in investment activities with own funds; engineering management services; enterprise management consulting; planning and design management; (Except for items subject to approval in accordance with the law, business activities shall be carried out independently according to law with the business license) (It shall not engaged in business activities of items prohibited or restricted by the municipal industrial policies of the country and the city.)

(2) Equity Structure and Capital Contributions of the Valuation Date

As of the valuation date, July 31, 2025, the shareholders and their shareholding ratios of MCC Real Estate are as follows:

Unit: RMB 10,000

Serial Number	Shareholder Name	Subscribed Capital Contribution	Paid-in Capital Contribution	Shareholding Ratio
1	MCC	1,000,000.00	1,000,000.00	100.00%
Total		1,000,000.00	1,000,000.00	**100.00%**

(2) Historical Evolution

1) Company Establishment in 2001

The predecessor of MCC Real Estate was Beijing Xin'ao Real Estate Development Co., Ltd. It was established with the approval of the Chongwen District Branch of Beijing Administration for Industry and Commerce, with a capital contribution of RMB 17.60 million (in currency) by China 22nd Metallurgical Construction Corporation Limited and RMB 4.40 million (in currency) by Beijing DALONG Construction Group. The company obtained its business license (Registration No. 1101031325768) on September 5, 2001, with a total registered capital of RMB 22.00 million at the time of its establishment.

2) Equity Transfer in 2003

On June 6, 2003, as resolved by the shareholders' meeting of the company, all the 20.00% equity in the company held by its shareholder, Beijing DALONG Construction Group, was transferred to Hou Baoxu. In the same month, the company's registered capital was changed to RMB 52.00 million, of which China 22nd Metallurgical Construction Corporation Limited contributed RMB 41.10 million, accounting for 79.00%; Hou Baoxu contributed RMB 10.90 million, accounting for 21.00%.

3) Company Name Change in 2005

In April 2005, the company name was changed to "MCC Xin'ao Real Estate Development Co., Ltd.". On April 7, 2005, the company obtained the *Notice on the Approval for Enterprise Name Change* ((G) MCBHN Zi [2005] No. 168), and in the same month, it obtained the *Decision Document of Beijing Administration for Industry and Commerce on Granting Administrative License* (JGSZCQX Zi (2005) No. 0020264).

4) Equity Transfer in 2005

In May 2005, as resolved by the fourth shareholders' meeting of the second session of the company, the equity corresponding to RMB 5.90 million of the capital contributed by Hou Baoxu was transferred to China 22nd Metallurgical Construction Corporation Limited.

In May 2005, the first shareholders' meeting of the third session of the company approved the capital contributions of RMB 50.00 million by Capital Engineering & Research Incorporation Limited, RMB 30.00 million by Tianjin 20th Metallurgical Construction Co., Ltd., and RMB 5.00 million by Central Research Institute of Building and Construction, MCC Group. In June 2005, the company's registered capital was changed to RMB 137.00 million. Capital Engineering & Research Incorporation Limited contributed RMB 50.00 million, accounting for 36.49% of the total; China 22nd Metallurgical Construction

Corporation Limited contributed RMB 47.00 million, accounting for 34.31% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB 30.00 million, accounting for 21.90% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB 5.00 million, accounting for 3.65% of the total; Hou Baoxu contributed RMB 5.00 million, accounting for 3.65% of the total. In July 2005, the second shareholders' meeting of the third session of the company approved the admission of China Metallurgical Construction Corporation as a new shareholder. In August 2005, the company's registered capital was changed to RMB 240.00 million. China 22nd Metallurgical Construction Corporation Limited contributed RMB 120.00 million, accounting for 50.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB 50.00 million, accounting for 20.83% of the total; China Metallurgical Construction Corporation contributed RMB 30.00 million, accounting for 12.50% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB 30.00 million, accounting for 12.50% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB 5.00 million, accounting for 2.08% of the total; Hou Baoxu contributed RMB 5.00 million, accounting for 2.08% of the total.

5) Company Name Change in 2006

In February 2006, the company name was changed to "MCC Real Estate Co., Ltd.". On January 27, 2006, the company obtained the *Notice on the Approval for Enterprise Name Change* ((G) MCBHN Zi [2006] No. 40), and in the same month, it obtained the *Notice of Beijing Administration for Industry and Commerce on the Approval for Change Registration* (JGSZCQX Zi (2006) No. 0000340).

6) Equity Transfer in 2006

In May 2006, as resolved by the fifth shareholders' meeting of the second

session of the company, the entire 2.08% equity (capital contribution of RMB 5.00 million) held by shareholder Hou Baoxu in the company was transferred to China Metallurgical Group Corporation (formerly known as "China Metallurgical Construction Corporation", which changed its name to "China Metallurgical Group Corporation" in March 2006 and obtained the *Notice on the Approval for Change Registration* ((G) DJNB Zi [2006] No. 235). Then the capital contribution of China Metallurgical Group Corporation was changed to RMB 35.00 million, accounting for 14.58% of the total.

7) Equity Transfer in 2008

In March 2008, the company's registered capital was changed to RMB 320.00 million. China 22nd Metallurgical Construction Corporation Limited contributed RMB 120.00 million, accounting for 37.50% of the total; China Metallurgical Group Corporation contributed RMB 115.00 million, accounting for 35.90% of the total; Capital Engineering & Research Incorporation Limited contributed RMB 50.00 million, accounting for 15.60% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB 30.00 million, accounting for 9.38% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB 5.00 million, accounting for 1.56% of the total;

In June 2008, the company's registered capital was changed to RMB 500.00 million. China Metallurgical Group Corporation contributed RMB 295.00 million, accounting for 59.00% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB 120.00 million, accounting for 24.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB 50.00 million, accounting for 10.00% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB 30.00 million, accounting for 6.00% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB 5.00 million, accounting for 1.00% of the total.

In December 2008, pursuant to the approval by the State-owned Assets Supervision and Administration Commission of the State Council in the *Official Reply on Issues Concerning the State-owned Equity Management of MCC (In Preparation)* (GZCQ [2008] No. 1289) and the resolution of the second shareholders' meeting of the third session of the company on December 5, 2008, the 59.00% equity in the company held by China Metallurgical Group Corporation was transferred to MCC. The company's equity structure was changed as follows: MCC contributed RMB 295.00 million, accounting for 59.00% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB 120.00 million, accounting for 24.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB 50.00 million, accounting for 10.00% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB 30.00 million, accounting for 6.00% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB 5.00 million, accounting for 1.00% of the total.

8) Equity Transfer in 2009

In April 2009, the company's registered capital was changed to RMB 2,000.00 million. After the increase in the registered capital, MCC contributed RMB 1,795.00 million, accounting for 89.75% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB 120.00 million, accounting for 6.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB 50.00 million, accounting for 2.50% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB 30.00 million, accounting for 1.50% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB 5.00 million, accounting for 0.25% of the total.

9) Equity Transfer in 2010

In January 2010, the company's registered capital was changed to RMB 2,140.80 million. MCC contributed RMB 1,921.368 million, accounting for 89.75% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB 128.448 million, accounting for 6.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB 53.52 million, accounting for 24.87% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB 32.112 million, accounting for 1.50% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB 5.352 million, accounting for 0.25% of the total.

10) Company Name Change in 2010

In January 2010, upon approval by Beijing Administration for Industry and Commerce, the company name was changed to MCC Real Estate Group Co., Ltd..

11) Equity Transfer in 2011

In September 2010, the fifth shareholders' meeting of the fourth session of the company resolved to approve the acquisition by MCC of all company shares held by China MCC22 Group Corporation Ltd. (formerly China 22nd Metallurgical Construction Corporation Limited), Capital Engineering & Research Incorporation Limited, Tianjin 20th Metallurgical Construction Co., Ltd., and Central Research Institute of Building and Construction Co., Ltd. MCC Group (formerly Central Research Institute of Building and Construction, MCC Group). In August 2011, MCC completed the acquisition of the equity from other shareholders and completed the industrial and commercial registration. The company's shareholder was changed to a single corporate shareholder, MCC.

12) Change in Registered Capital in 2014

On January 2, 2014, pursuant to the resolution of the shareholders' meeting

of the company, the company's registered capital was increased by RMB 959.20 million, bringing the total registered capital to RMB 3,100.00 million.

13) Change in Registered Capital in 2016

On September 1, 2016, MCC increased the company's paid-in capital by RMB 528,221,519.41 in monetary fund. After the increase, the company's paid-in capital rose from RMB 3,100,000,000.00 to RMB 3,628,221,519.41, and the registered capital increased from RMB 3,100,000,000.00 to RMB 3,628,221,519.41.

14) Change in Registered Capital in 2017

On December 8, 2017, China MCC increased the company's paid-in capital by converting a loan into capital. After the increase, the company's paid-in capital rose from RMB 3,628,221,519.41 to RMB 5,000,000,000.00, and the registered capital increased from RMB 3,628,221,519.41 to RMB 5,000,000,000.00.

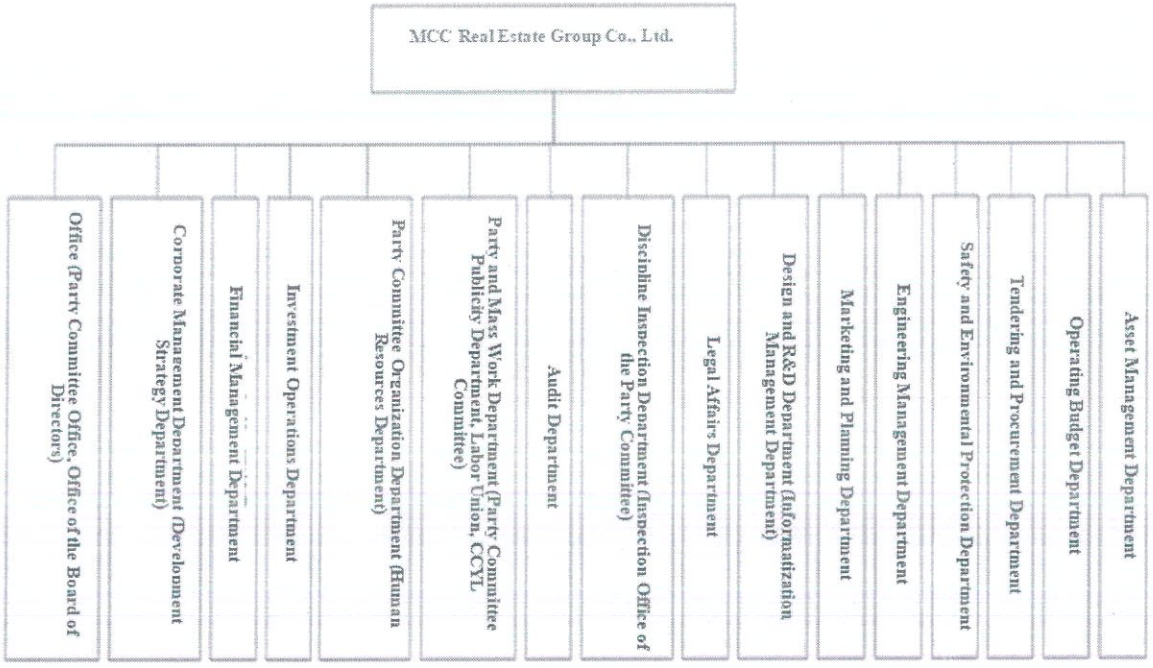
15) Change in Registered Capital in 2024

On December 25, 2024, China MCC increased the company's paid-in capital by converting a loan into capital. After the increase, the company's paid-in capital rose from RMB 5,000,000,000.00 to RMB 10,000,000,000.00, and the registered capital increased from RMB 5,000,000,000.00 to RMB 10,000,000,000.00.

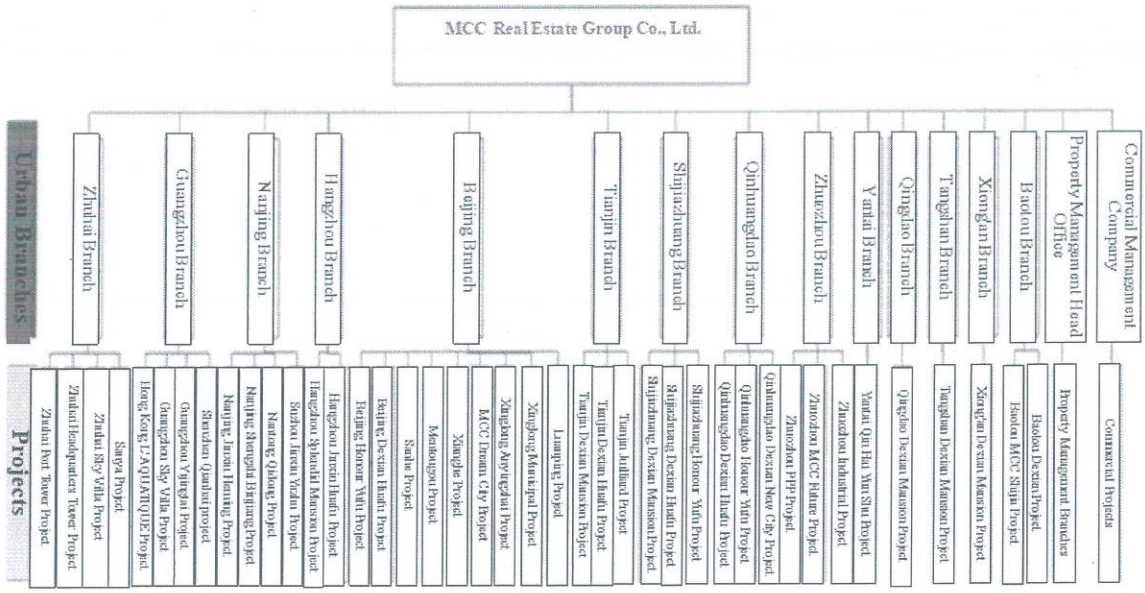
Except for the above-mentioned changes in equity, as of the valuation date of July 31, 2025, the shareholding structure of MCC Real Estate has not changed.

4. Organizational Structure of the Evaluated Entity

The organizational structure of MCC Real Estate Company is as follows:



The two-tier management structure of MCC Real Estate is shown below:



(5) Primary Operating Conditions as of the Valuation Date and the Previous Three Years

1) Company Overview and Main Business

MCC Real Estate is a key subsidiary of China Minmetals, a core enterprise in MCC's real estate segment, and one of the first 16 central enterprises

recognized by the State-owned Assets Supervision and Administration Commission of the State Council as primarily engaged in real estate. It holds two national first-class qualifications in real estate development and property management. The company's registered capital has reached RMB 10 billion, with total assets approaching RMB 100 billion, and its long-term credit rating has remained at AAA for nine consecutive years.

Since its establishment in 2001, MCC Real Estate has always remained mindful of the responsibilities and mission of a state-owned central enterprise, deeply integrating into the trend of coordinated regional development. The company has strategically positioned itself in the three national strategic highlands of the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area, as well as the Yangtze River Economic Belt, radiating to multiple economically dynamic core city clusters, thus forming a "3+1+N" strategic layout. By focusing on the development of high-end residential projects such as the "Dexian Series," "Jinxiu Series," and "Yijing Series," landmark urban complexes under the "Shengshi Series," quality commercial properties under the "Heyue Series," as well as diversified products including "Heshe" long-term rental apartments and "Hejing" hotels, the company continuously meets the public's aspirations for a better life and the demands for urban functional upgrades.

2) Financial and Operating Conditions on a Consolidated Basis

According to the audited financial statements, as of the valuation date, the book value of total assets of MCC Real Estate on a consolidated basis was RMB 57.063693 billion, the book value of total liabilities was RMB 73.3392018 billion, and the book value of owners' interests was RMB-16.2755088 billion. From January to July 2025, the company achieved operating revenue of RMB 2.9723228 billion and a net profit of RMB -25.4384242 billion.

Overview of Financial Position and Operating Performance (Consolidated Basis) as of the Valuation Date and for the Preceding Three Years

Monetary Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	9,319,388.26	9,230,754.88	8,458,493.07	5,706,369.30
Total Liabilities	8,059,355.20	8,279,854.83	7,533,472.20	7,333,920.18
Owners' Interests	1,260,033.06	950,900.05	925,020.87	-1,627,550.88
Item	**2022**	**2023**	**2024**	**January-July 2025**
Operating Revenue	1,628,948.95	874,754.39	734,369.80	297,232.28
Operating Profit	11,593.63	-299,745.24	-504,238.67	-2,534,039.45
Total Profit	22,035.68	-299,571.28	-499,660.72	-2,549,237.79
Net Profit	864.73	-302,206.42	-485,575.37	-2,543,842.42
Audit Firm	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Report Document No.	XKSB Zi [2023] No. ZB20850	XKSB Zi [2024] No. ZB20459	XKSB Zi [2025] No. ZB22880	TZY Zi [2025] No. 40666
Audit Opinions	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

3) Financial and Operating Conditions on a Parent Company Basis

According to the audited financial statements, as of the valuation date, the book value of total assets of MCC Real Estate on a parent company basis was RMB 64,966,836,300, the book value of total liabilities was RMB 59,355,825,300, and the book value of owners' interests was RMB 5,611,011,100. From January to July 2025, the company recorded operating revenue of RMB -16,675,200 and a net profit of RMB -2,405,245,600.

Summary Table of Financial Position and Operating Performance (Parent Company Basis) as of the Valuation Date and the Previous Three Years

Monetary Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	6,686,089.81	6,914,832.25	7,028,020.58	6,196,683.63
Total Liabilities	6,398,779.41	6,621,016.86	6,226,395.11	5,935,582.53
Owners' Interests	287,310.41	293,815.39	801,625.47	561,101.10
Item	**2022**	**2023**	**2024**	**January-July 2025**
Operating Revenue	17,546.28	4,354.25	3,701.38	-1,667.52
Operating Profit	2,548.29	6,499.66	7,798.13	-240,521.41
Total Profit	2,560.56	6,504.98	7,810.29	-240,524.56
Net Profit	2,560.56	6,504.98	7,810.29	-240,524.56
Audit Firm	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Report Document No.	XKSB Zi [2023] No. ZB20849	XKSB Zi [2024] No. ZB20563	XKSB Zi [2025] No. ZB22628	TZY Zi [2025] No. 40666
Audit Opinions	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

2. Receivables mainly consist of internal loan principal, interest, and dividends receivable by MCC from MCC Real Estate. As of the valuation date, the book value of the receivables was RMB 46,163,792,600.

(III) Use of Expert Work

The book value of assets as of the valuation date in this Valuation Report was based on the audit results of Baker Tilly China Certified Public Accountants (Special General Partnership) as per the unmodified *Audit Report* (Report No: TZY [2025] No. 43375).

IV. Bases of Value and Definitions

Based on the valuation purpose, the base of value is determined as Market Value.

Market value refers to the estimated amount for which the valuation object

should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

V. Valuation Date

The valuation date for this project is July 31, 2025. This valuation date was agreed upon by the client and the relevant intermediary agencies.

The reasons for selecting this valuation date are:

1. Valuation date meets the requirements of the relevant economic activity and facilitates the achievement of the valuation purpose.

2. This valuation date coincides with the accounting month-end statement of the title-holding entity and the balance sheet date in the audit report, which allows the valuation institution to fully utilize the enterprise's existing financial data, aiding the completion of the valuation.

VI. Valuation Bases

The valuation bases followed in this asset valuation primarily include the economic behavior basis, law and regulation bases, valuation standards, asset ownership bases, as well as pricing bases and other reference materials adopted in the valuation and estimation process. Details are as follows:

(I) Economic Behavior Basis

Resolution of the Board of Directors of China Minmetals Corporation

(2025, 12th Meeting)

(II) Law and Regulation Bases

1. *Assets Appraisal Law of the People's Republic of China* (promulgated by Decree No. 46 of the President of the People's Republic of China , effective from December 1, 2016);

2. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);

3. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);

4. *Securities Law of the People's Republic of China* (approved on December 29, 1998, by the 6th Session of the Standing Committee of the 9th National People's Congress; amended on December 28, 2019, by the 15th Session of the Standing Committee of the 13th National People's Congress);

5. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);

6. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);

7. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 732 of the State Council of the People's Republic of China, amended on November 29, 2020);

8. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

9. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);

10. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);

11. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);

12. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);

13. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);

14. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);

15. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);

16. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);

17. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);

18. *Measures for the Supervision and Administration of State-owned Equities of Listed Companies* (Order No. 36 of the State-owned Assets Supervision and Administration Commission of the State Council, the Ministry of Finance and the CSRC, May 16, 2018);

19. *Urban Real Estate Administration Law of the People's Republic of China* (approved on July 5, 1994, by the 8th Session of the Standing Committee of the 8th National People's Congress; approved on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People's Congress);

20. *Land Administration Law of the People's Republic of China* (approved on June 25, 1986, by the 16th Session of the Standing Committee of the 6th National People's Congress; amended on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People's Congress);

21. *Regulation on the Implementation of the Land Administration Law of the People's Republic of China* (approved at the 12th executive meeting of the State Council on December 24, 1998, underwent the second revision on July 29, 2014, and underwent the third revision as per Decree No. 743 of the State Council of the People's Republic of China on July 2, 2021);

22. *Regulations for Gradation and Classification on Urban Land* (GB/T18507-2014);

23. *Current Land Use Classification* (GB/T21010-2017);

24. *Interim Regulations of the People's Republic of China Concerning the Assignment and Transfer of the Right to the Use of the State-owned Land in the Urban Areas* (released and implemented on May 19, 1990 as per Decree No. 55 of the State Council, and amended on November 29, 2020 as per the Order No. 732 of the State Council);

25. *Notice on Optimizing Matters Related to the Administration of Central SOE Asset Appraisals* (GZFCQG No. [2024] 8);

26. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);

27. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);

28. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);

29. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);

30. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);

31. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);

32. *Notice on Adjusting Value-added Tax Rates* (CS [2018] No. 32);

33. *Rules for the Implementation of the Interim Regulations of the People's Republic of China on Land Value-added Tax* (CF Zi [1995] No. 6);

34. The *Vehicle Purchase Tax Law of the People's Republic of China* (Adopted at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018).

35. *Deed Tax Law of the People's Republic of China* (approved at the 21st Session of the Standing Committee of the 13th National People's Congress on August 11, 2020);

36. *Accounting Standards for Business Enterprises* and other related accounting systems;

37. Other relevant laws, regulations, notices, and documents.

(III) Basis of Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);

2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);

3. *Practice Standards for Assets Valuation - Asset Valuation Procedures* (ZPX [2018] No. 36);

4. *Practice Standards for Assets Valuation - Asset Valuation Report* (ZPX [2018] No. 35);

5. *Practice Standards for Assets Valuation - Assets Valuation Method* (ZPX [2019] No. 35);

6. *Practice Standards for Assets Valuation -Asset Valuation Engagement Contract* (ZPX [2017] No. 33);

7. *Practice Standards for Assets Valuation - Assets Valuation File* (ZPX [2018] No. 37);

8. *Practice Standards for Assets Valuation - Use of Expert Work and Relevant Reports* (ZPX [2017] No. 35);

9. *Practice Standards for Assets Valuation - Enterprise Value* (ZPX [2018] No. 38);

10. *Practice Standards for Assets Valuation - Intangible Assets* (ZPX [2017] No. 37);

11. *Practice Standards for Assets Valuation - Property* (ZPX [2017] No. 38);

12. *Practice Standards for Assets Valuation - Machinery and Equipment* (ZPX [2017] No. 39);

13. *Guidelines for Asset Valuation Reports on State-Owned Enterprises*

(ZPX [2017] No. 42);

14. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);

15. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);

16. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);

(IV) Basis of Asset Ownership

1. Business License for Enterprise Legal Person;

2. Proof of shareholding, articles of association, or agreements;

3. People's Republic of China state-owned enterprise asset ownership registration certificate;

4. Construction land planning permit, construction engineering planning permit, construction permit;

5. Leasing contracts for right-of-use assets;

6. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);

7. Major asset purchase contracts or vouchers;

8. Property Ownership Certificates;

9. Real estate ownership certificate (or property ownership certificate);

10. State-owned land use certificate;

11. State-owned land use right transfer contract;

12. Motor vehicle registration certificate;

13. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. Asset inventory and valuation declaration forms provided by the enterprise;

2. Audit report for historical annual accounts of MCC Real Estate;

3. National macro-economic, industry, regional market, and enterprise statistical analysis data;

4. Financial statements and detailed financial ledgers of the valuation date and the previous 3 years;

5. Materials related to financial management, production and operation, and market sales provided by the enterprise;

6. Enterprise revenue, cost, expense analysis, and forecasting materials;

7. The enterprise's fixed asset depreciation method;

8. Enterprise development plans, investment projects, and data on required funds for future years;

9. The enterprise's financial accounting system;

10. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;

11. Selected contracts and agreements provided by the enterprise;

12.Data analyzing the enterprise's industry position and market competition;

13. Current national and local tax policies and regulations;

14. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;

15. Relevant data on A-share listed companies provided by the iFind software;

16. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;

17. *Provisions on Compulsory Retirement Standards for Motor Vehicles* (Decree No. 12 of jointly issued by the Ministry of Commerce, National Development and Reform Commission, Ministry of Public Security, and

Ministry of Environmental Protection);

18. Recent issues of the *UDC United Market Information* and the *Automobile Business Information* near the valuation date;

19. Relevant financial data and engineering materials provided by the enterprise;

20. Notice on the *Financial Rules for Capital Construction* (Promulgated by the Decree No. 81 of the Ministry of Finance and implemented from September 1, 2016);

21. Current cost norms for building construction, installation engineering, decoration engineering, municipal engineering, and other related norms in the region where the buildings are located;

22. Standards for *Building Damage Level Assessment*, *Reference Basis for Assessing the Newness or Oldness of a House*", and *Grading Criteria and Adjustment Factors for Building Newness Rates* issued by the former Ministry of Urban and Rural Environmental Construction and Protection;

23. Local *Construction Engineering Cost Information*;

24. Relevant cost indexes and similar engineering cost indicators;

25. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;

26. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. *Special Audit Report on the Entire Equity and Claims of MCC Real Estate Group Co., Ltd. Held by Metallurgical Corporation of China Ltd.* (Report No.: TZY [2025] No. 43775) issued by Baker Tilly China Certified Public Accountants (Special General Partnership)

2. *Standard Unqualified Audit Report on MCC Real Estate Group Co., Ltd.*

(Report No.: TZY Zi [2025] No. 40666) issued by Baker Tilly China Certified Public Accountants (Special General Partnership)

3. *Handbook of Common Asset Valuation Methods and Parameters*;

4. Important contracts for surveys, design, engineering, and other business provided by the enterprise;

5. Market research data collected by the asset valuation professionals;

6. Relevant materials from on-site inspections and inquiries/confirmations conducted by the asset valuation professionals;

7. *Guidelines for Asset Valuation Expert No. 8 - Verification and Validation during Asset Valuation* (ZPX [2019] No. 39);

8. *Guidelines for Asset Valuation Expert No. 12 - Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);

9. Relevant materials provided by the enterprise's related departments and personnel;

10. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant reference materials collected by the asset valuation institution.

VII. Valuation Method

(I) Selection of Valuation Method

According to the *General Standards for Asset Valuation*, *Practice Standards for Assets Valuation - Enterprise Value*, *Practice Standards for Assets Valuation - Valuation Method*, and other relevant asset valuation standards, the basic asset valuation methods include the market approach, income approach, and cost approach (asset-based approach).

The market approach refers to a valuation method in which the value of the

appraisal object is determined by comparing it with comparable reference assets, based on the market prices of those references. Since the asset package in this appraisal mainly consists of equity and claims, it is difficult to obtain comparable transactions or listed companies in the market, lacking the necessary basis of comparability for applying the market approach. Therefore, the market approach is not suitable for this appraisal.

The income approach refers to a valuation method that determines value by capitalizing or discounting the expected future income of the appraisal object. In this project, the income approach is applicable to the equity portion of the asset package. However, the overall asset package, which includes claims, is not considered an operating unit capable of generating stable cash flows continuously, and its future income is difficult to predict reliably. Therefore, the prerequisites for applying the income approach are not met.

The asset-based approach refers to a valuation method that determines the value of the appraisal object based on the balance sheet of the title-holding entity or operating entity as of the valuation date, by assessing the value of identifiable on- and off-balance-sheet assets and liabilities. The appraisal object in this project is an asset package consisting of equity and claims. Given that the asset package is composed of identifiable long-term equity investments and receivables, it has the objective conditions and practical basis for separately appraising each asset. All relevant asset information within the appraisal scope has been fully collected, making the asset-based approach appropriate for this valuation.

Considering the characteristics of the appraisal object, the type of value, and the availability of information, the asset-based approach has been adopted for this appraisal.

VIII. Application of Specific Valuation method for Various Assets under the Asset-Based Approach

(I) Valuation of Long-Term Equity Investments

The asset valuation professionals first verified the reasons for the formation of the long-term investments, their book value, and their actual status. They reviewed the articles of association and relevant accounting records of the invested entities to determine the authenticity and completeness of the long-term investments. The valuation of the invested entities was conducted based on this verification. Depending on the specific circumstances of long-term investment, the following appropriate valuation methods were applied:

1. An extended overall appraisal was conducted on the long-term equity investment in MCC Real Estate included within the scope of this valuation, using both the income approach and the asset-based approach. The results from the two methods were analysed, and ultimately the income approach was selected to determine the valuation conclusion of the entire equity interest of MCC Real Estate.

Valuation Value of the Long-term Equity Investment = Shareholders' Entire Equity Valuation Value of the Invested Entity × Shareholding Ratio

For long-term equity investmentswith a negative valuation value, based on the relevant provisions of the Company Law and other regulations, the management's holding plans for the investment entities were reviewed, and the following method was used to determine the valuation value: (1) If the invested entity is assumed to continue operating, and MCC Real Estate undertakes the liabilities of the title-holding entity under the "debt assumption" or "full responsibility" scenario, the valuation value was set to the determined negative value after evaluation. (2) If liability for the subsidiary's debts is limited to the amount of the capital contribution, and MCC Real Estate has fully contributed

its capital to the invested enterprise, the valuation value is set to RMB 0.

Trationale for the selection of the valuation method for the overall equity of MCC Real Estate is as folllows:

The market approach in business valuation refers to a method that determines the value of the appraisal object by comparing it with comparable listed companies or transaction cases. Commonly used specific methods under the market approach include the comparable listed company method and the comparable transaction method. Since MCC Real Estate is a non-listed company, comparable listed companies in the same industry differ significantly from the title-holding entity in terms of business structure, operating model, enterprise scale, asset allocation and utilisation, business stage, growth potential, operational risk, and financial risk. In addition, there are few recent domestic transactions, acquisitions, or mergers of comparable enterprises in the same industry as of the valuation date. Therefore, it is difficult to obtain reliable operational and financial data for comparable transactions and calculate appropriate value ratios. As a result, the market approach was not applied in this equity appraisal.

The income approach in business valuation refers to a method that determines the value of the appraisal object by capitalizing or discounting its expected future income. Commonly used specific methods include the dividend discount model and the discounted cash flow (DCF) model. The dividend discount model determines value by discounting expected dividends. The DCF model generally includes the enterprise free cash flow model and the equity free cash flow model. This appraisal is based on the going concern assumption. The company can provide complete historical financial and operational data, and the management has analysed and forecasted the company's future operations. Based on the analysis of the financial data, future income and operational risks

can be quantified, providing the fundamental conditions for applying the income approach.

The asset-based approach in business valuation refers to a method that determines the value of the appraisal object based on the balance sheet of the equity being appraised as of the valuation date, by reasonably assessing the value of identifiable on- and off-balance-sheet assets and liabilities. All asset and liability information of MCC Real Estate has been fully collected for this project, making the asset-based approach suitable for appraisal.

Considering the appraisal object, value type, and availability of information, both the income approach and the asset-based approach were applied in this appraisal of the overall equity of MCC Real Estate.

(I) Valuation of Claims

Receivables include other receivables, interest receivable, and dividends receivable. The asset valuation professionals reviewed relevant contracts, agreements, and original supporting documents. Based on verification, historical data, and information obtained from on-site investigation, they analysed the amounts, overdue periods and reasons, and collection status. The appraised value was confirmed as the audited book value.

IX. Implementation Process and Situation of the Valuation Procedures

The asset valuation professionals performed the valuation work for the assets involved in the valuation object. The implementation process of the valuation procedures is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

Our company's business responsible person held discussions with the Client's representative to clarify important matters including: the Client, the Title-holding Entity, and other users of the asset valuation report as stipulated in

the asset valuation engagement contract besides the Client; the valuation purpose; the valuation object and scope; the base of value; the valuation date; usage restrictions of the Valuation Report; the submission timeline and method for the Valuation Report; the total valuation service fee, payment timing, and method; and the Client's cooperation and assistance with the asset valuation professionals' work, along with other important matters requiring clarification.

(II) Signing the Asset Valuation Engagement Contract

Based on the specific circumstances of the valuation engagement, our company conducted a comprehensive analysis and evaluation of professional competence, independence, and business risks. The asset valuation institution then decided whether to accept the valuation engagement. Upon accepting the asset valuation engagement, the asset valuation institution shall enter into an asset valuation engagement contract with the Client in accordance with the law, stipulating the rights, obligations, liability for breach of contract, dispute resolution, and other contents between the asset valuation institution and the Client.

(III) Preparation of the Valuation Plan

After accepting this valuation engagement, our company immediately organized asset valuation professionals to prepare an Asset Valuation Plan, determining the appropriate level of detail for the plan reasonably. The Asset Valuation Plan included the main processes and timetable for the implementation of the asset valuation engagement, personnel arrangements, and the technical solution.

(IV) On-site Investigation

Based on the specifics of the valuation assignment, we conducted appropriate on-site investigation of the valuation object. This included:

1. Requesting the Client and the Title-holding Entity to provide detailed

information concerning the valuation object and scope;

2. Requiring the Client or the Title-holding Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;

3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.

4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

We collected valuation data according to the specific circumstances of the valuation engagement and promptly supplemented the collection as needed according to the requirements of the valuation engagement and changes encountered during its implementation. The collected data included:

1. Data independently obtained from channels such as the market, information obtained from the Client, the Title-holding Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;

2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;

3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation,

query, and recheck.

4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation

Based on their respective work, the asset valuation professionals performed data reconciliation with the audit firm.

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.

2. The preliminary results obtained using the asset-based approach were compared, analysed, supplemented, adjusted, and refined. Based on a comprehensive analysis of the factors affecting value, the final appraisal conclusion of this asset valuation was determined.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, and without affecting the independent judgment of the valuation conclusion, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Asset Valuation Report. Upon completion of the above asset valuation procedures, our company issued the formal Valuation Report and submitted it to the Client.

X. Valuation Assumptions

(I) 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

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

(II) 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. The real estate development project under 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.

3. 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.

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

5. It is assumed that the various business-related licenses and qualifications of the Title-holding Entity will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

6. It is assumed that the Title-holding 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.

7. 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.

8. It is assumed that the accounting policies adopted by the Title-holding

Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

9. It is assumed that, after the valuation date, the business scope and mode of the Title-holding Entity will remain consistent with the current status, based on the existing management methods and management levels.

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

11. It is assumed that all foundational information and financial data provided by the Title-holding Entity are true, accurate, and complete.

12. The valuation scope is based on the range of assets provided by the Title-holding Entity. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.

2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

The valuation conclusion in this Report is derived under the above assumptions and limiting conditions. This valuation conclusion shall become invalid if the above assessment assumptions and limiting conditions change significantly.

XI. Valuation Conclusion

In accordance with relevant national asset valuation regulations, and adhering to the principles of independence, objectivity, and impartiality along with the necessary valuation procedures, the market value of the asset package formed by the entire equity interest and corresponding claims of MCC Real Estate held by MCC has been valuated. Based on the above valuation work, the following conclusion is presented:

(I) Valuation Results Using the Asset-based Approach

According to the asset-based approach, as of the valuation date, the book value of the asset package formed by the equity and claims of MCC Real Estate held by MCC was RMB 56,978,310,700, while the appraised value was RMB 31,236,589,800. The impairment amounted to RMB 25,741,720,900, representing an impairment rate of 45.18%. Details are presented in the summary table of appraisal results:

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB 10,000

Item		Book Value	Valuation Value	Appreciation/ Depreciation	Appreciation/ Depreciation Rate %
		A	B	C=B-A	D=C/A×100%
Total Current Assets	1	4,616,379.26	4,616,379.26	-	-
Total Non-Current Assets	2	1,081,451.81	-1,492,720.28	-2,574,172.09	-238.03
Including: Long-term Equity Investments	3	1,081,451.81	-1,492,720.28	-2,574,172.09	-238.03
Investment Properties	4	-	-	-	
Fixed Assets	5	-	-	-	
Construction in Progress	6	-	-	-	
Intangible Assets	7	-	-	-	
Including: Intangible Assets - Land Use Rights	8	-	-	-	

Subtotal of Other Non-Current Assets	9	-	-	-	
Total Assets	10	**5,697,831.07**	**3,123,658.98**	**-2,574,172.09**	**-45.18**
Current Liabilities	11	-	-	-	-
Non-Current Liabilities	12	-	-	-	-
Total Liabilities	13	-	-	-	-
Owner's Equity (or Shareholders' Equity)	14	**5,697,831.07**	**3,123,658.98**	**-2,574,172.09**	**-45.18**

(II) Valuation Conclusion

As of the valuation date, July 31, 2025, the appraised value of the asset package formed by the entire equity interest and claims of MCC Real Estate held by MCC was RMB 31,236,589,800 (in words: Thirty-one Billion Two Hundred and Thirty-six Million Five Hundred and Eighty-nine Thousand Eight Hundred Yuan Only).

XII. Notes for Special Matters

Users of this Valuation Report shall pay attention to the potential impact of the following special matters on the valuation conclusion and give them full consideration when making decisions based on this report.

(I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation value, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.

(II) This report is based on information required for the valuation provided by MCC and MCC Real Estate, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties

shall be responsible for the authenticity, legality, and completeness of the provided materials.

(III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional valuation opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) Citation of Conclusions of Reports Issued by Other Institutions

The long-term equity investments held by MCC Real Estate in Beijing New Century Hotel Co., Ltd. and Tianjin MCC Mingjin Real Estate Co., Ltd., for which the equity interests were disposed of after the valuation date, were valued by referencing the results of their respective appraisal reports.

(V) Notes on Limitations in Valuation Procedures, Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion.

During the valuation process, while inspecting the equipment, the valuation of the equipment's condition relied primarily on the asset valuation professionals' visual observations, recent inspection data provided by the evaluated entity, and inquiries made to relevant operators, due to limitations in testing methods and the fact that some equipment was in operation.

(VI) Notes on of Incomplete Valuation Data

No significant valuation data was found to be incomplete during this valuation.

(VII) Other Key Information Not Provided by the Client

None.

(VIII) Explanatory Notes on Matters Concerning Guarantees, Mortgages, and Contingent Liabilities (or Contingent Assets)

1.Guarantees Provided by MCC Real Estate and Its Subsidiary Project Companies

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
1	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Baotou Branch	Baotou Dexian Project	33,196,714.71	33,196,714.71		2021/4/28	
2	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Bank of China Baotou Kundulun Sub-branch	Baotou Dexian Project	58,512,161.29	58,512,161.29		2021/4/25	
3	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Postal Savings Bank of China Baotou Branch	Baotou Dexian Project	72,751,712.94	72,751,712.94		2021/5/28	
4	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Baotou Rural Commercial Bank Co., Ltd.	Baotou Dexian Project	15,805,620.07	15,805,620.07		2021/5/20	
5	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	China Construction Bank Baotou Branch	Baotou Dexian Project	3,031,717.26	3,031,717.26		2021/6/8	
6	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	China Merchants Bank Baotou Branch	Baotou Dexian Project	10,330,537.93	10,330,537.93		2021/5/15	
7	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	ICBC Baotou Qingshan Sub-branch	Baotou Dexian Project	53,758,241.33	53,758,241.33		2021/4/28	

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
8	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Industrial Bank Co., Ltd. Baotou Branch	Baotou Dexian Project	14,844,262.68	14,844,262.68		2021/5/10	
9	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Agricultural Bank of China Baotou Jiuyuan Sub-branch	Baotou Dexian Project	2,085,484.51	2,085,484.51		2021/12/9	
10	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Bohai Bank Baotou Branch	Baotou Dexian Project	2,010,288.31	2,010,288.31		2022/8/30	
11	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	China Everbright Bank Baotou Branch	Baotou Dexian Project	24,499,503.65	24,499,503.65		2022/9/27	
12	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Bank of Communications Baotou Branch	Baotou Dexian Project	36,571,624.35	36,571,624.35		2023/2/16	
13	Beijing MCC Mingding Real Estate Development Co., Ltd.	Huaxia Bank Beijing Chegongzhuang Sub-branch	Mingding Project	19,041,451.24	19,041,451.24	19,041,451.24	2022/7/1	2025/12/31
14	Beijing MCC Mingding Real Estate Development Co., Ltd.	Agricultural Bank of China Chaoyang Sub-branch	Mingding Project	15,111,617.33	15,111,617.33	15,111,617.33	2022/7/1	2025/12/31
15	Beijing MCC Mingding Real Estate Development Co., Ltd.	ICBC Guang'anmen Sub-branch	Mingding Project	483,891.22	483,891.22	483,891.22	2022/7/1	2025/12/31
16	Beijing MCC Mingding Real Estate Development Co., Ltd.	CCB Ditan Sub-branch	Mingding Project	70,659,555.58	70,659,555.58	70,659,555.58	2022/7/1	2025/12/31
17	Beijing MCC Mingding Real Estate Development Co., Ltd.	Beijing Rural Commercial Bank Co., Ltd. Dongcheng Sub-branch	Mingding Project	3,130,389.17	3,130,389.17	3,130,389.17	2022/7/1	2025/12/31

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
18	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Minsheng Bank Co., Ltd. Beijing Branch	Mingding Project	-	-	-	2022/7/1	2025/12/31
19	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Zheshang Bank Co., Ltd. Beijing Branch	Mingding Project	3,104,913.96	3,104,913.96	3,104,913.96	2022/7/1	2025/12/31
20	Beijing MCC Mingding Real Estate Development Co., Ltd.	Industrial Bank Co., Ltd. Beijing Branch	Mingding Project	648,000.00	648,000.00	648,000.00	2022/7/1	2025/12/31
21	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Everbright Bank Hepingli Sub-branch	Mingding Project	9,420,365.56	9,420,365.56	9,420,365.56	2022/7/1	2025/12/31
22	Beijing MCC Mingding Real Estate Development Co., Ltd.	Bank of China Co., Ltd. Beijing Chongwen Sub-branch	Mingding Project	15,471,752.83	15,471,752.83	15,471,752.83	2022/7/1	2025/12/31
23	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Merchants Bank Co., Ltd. Beijing Branch	Mingding Project	9,331,092.00	9,331,092.00	9,331,092.00	2022/7/1	2025/12/31
24	Beijing MCC Mingding Real Estate Development Co., Ltd.	China CITIC Bank Co., Ltd. Beijing Branch	Mingding Project	16,370,279.13	16,370,279.13	16,370,279.13	2022/7/1	2025/12/31
25	Beijing MCC Mingding Real Estate Development Co., Ltd.	Postal Savings Bank of China Co., Ltd. Beijing Chaoyang District Sub-branch	Mingding Project	24,769,867.17	24,769,867.17	24,769,867.17	2022/7/1	2025/12/31
26	Beijing MCC Mingding Real Estate Development Co., Ltd.	Bank of Beijing Co., Ltd. Lucheng Sub-branch	Mingding Project	5,506,197.27	5,506,197.27	5,506,197.27	2022/7/1	2025/12/31
27	Beijing MCC Mingding Real Estate Development Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Beijing Branch	Mingding Project	60,960,676.38	60,960,676.38	60,960,676.38	2022/7/1	2025/12/31

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
28	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Xiongan MCC Dexian Residence	1,000,000.00	1,000,000.00		2024/12/30	Until the date when the property mortgage registration certificate corresponding to the housing provident fund loan is completed.
29	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Xiongan MCC Dexian Residence	1,200,000.00	1,200,000.00		2024/11/15	Until the date when the property mortgage registration certificate corresponding to the housing provident fund loan is completed and delivered to the lender.
30	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Xiongan MCC Dexian Residence	1,200,000.00	1,200,000.00		2024/11/15	Until the date when the property mortgage registration certificate corresponding to the housing provident fund loan is completed and delivered to the lender.
31	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Xiongan MCC Dexian Residence	800,000.00	800,000.00		2025/2/19	Until the date when the property mortgage registration certificate corresponding to the housing provident fund loan is completed and delivered to the lender.
32	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Baoshang Bank Baotou Zhenhua Sub-branch	Baotou MCC Shijia	2,061,226.10	2,061,226.10		2015/5/25	
33	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Baotou Branch	Baotou MCC Shijia	3,980,812.17	3,980,812.17		2012/11/1	
34	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Bank of China Baotou Qingnian Road Sub-branch	Baotou MCC Shijia	51,124,621.32	51,124,621.32		2015/5/25	

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
35	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	China Postal Savings Bank Baotou Development Zone Zhaotan East Road Sub-branch	Baotou MCC Shijia	70,797,291.04	70,797,291.04		2012/11/1	
36	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	China CITIC Bank Baotou Zhonghuan Sub-branch	Baotou MCC Shijia	1,302,172.57	1,302,172.57		2015/7/25	
37	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	China Construction Bank Baotou Fengying Sub-branch	Baotou MCC Shijia	2,100,602.72	2,100,602.72		2019/1/1	
38	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Baotou Steel Housing Provident Fund Management Center	Baotou MCC Shijia	16,510,000.00	16,510,000.00		2012/11/1	
39	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Hohhot Housing Provident Fund Management Center Railway Sub-center	Baotou MCC Shijia	4,373,264.04	4,373,264.04		2014/9/1	
40	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	8,714.64	8,714.64		2021/6/22	
41	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	14,669.92	14,669.92		2021/6/22	
42	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	3,949.56	3,949.56		2021/6/22	
43	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	5,358.15	5,358.15		2021/6/22	
44	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	835.58	835.58		2021/6/22	

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
45	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	5,352.12	5,352.12		2021/6/22	
46	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	5,497.60	5,497.60		2021/6/22	
47	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	3,943.46	3,943.46		2021/6/22	
48	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	7,535.84	7,535.84		2021/6/22	
49	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	1,671.09	1,671.09		2021/6/22	
50	Shijiazhuang MCC Mingsheng Real Estate Development Co., Ltd.	Shijiazhuang MCC Mingsheng Real Estate Development Co., Ltd.	Shijiazhuang MCC Dexian Huafu Project	510,689,500.50	510,689,500.50	3,674,729,244.00	2019/10/12	2027/10/6
51	Hebei MCC Mingrun Real Estate Development Co., Ltd.	Hebei MCC Mingrun Real Estate Development Co., Ltd.	Shijiazhuang MCC Dexian Mansion Project	334,641,686.13	334,641,686.13	6,571,405,462.00	2016/9/21	2026/6/30
52	Nanjing MCC Minghan Real Estate Co., Ltd.	Nanjing MCC Minghan Real Estate Co., Ltd.	Plot No.2021G35 Project, Banqiao New Town, Yuhuatai District, Nanjing City	96,000.00	86,288.00	-	2025/1/21	2028/1/21
53	Qinhuangdao Jiajun Real Estate Development Co., Ltd.	Qinhuangdao Jiajun Real Estate Development Co., Ltd.	Dexian Mansion / Dexian Huafu / Dexian Yufu	1,416,171,000.00	211,771,542.32	3,908,365,955.00	2018/8/1	2027/12/31
54	Qinhuangdao Yunding Real Estate Development Co., Ltd.	Qinhuangdao Yunding Real Estate Development Co., Ltd.	Dexian New City - Area I	123,819,000.00	88,495,990.56	521,894,256.00	2023/11/1	2027/12/31

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
55	Shijiazhuang MCC Mingguan Real Estate Development Co., Ltd.	Shijiazhuang MCC Mingguan Real Estate Development Co., Ltd.	Shijiazhuang MCC Dexian Yufu	56,241.00	56,241.00	195,540.00	2021/10/15	2028/2/15
56	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Agricultural Bank of China Tangshan Longze Road Sub-branch	MCC Dexian Mansion	36,410,000.00	28,237,742.81		Mortgage Loan Disbursement Date	Until the other rights certificate is completed
57	Tangshan MCC Minghe Real Estate Development Co., Ltd.	China Postal Savings Bank Tangshan Shangzuo Sub-branch	MCC Dexian Mansion	49,020,000.00	41,400,854.47			
58	Tangshan MCC Minghe Real Estate Development Co., Ltd.	China Construction Bank Tangshan Weiguo Road Sub-branch	MCC Dexian Mansion	5,120,000.00	4,906,691.85			
59	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Bank of China Tangshan Plaza Sub-branch	MCC Dexian Mansion	13,170,000.00	12,697,694.24			
60	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Industrial and Commercial Bank of China Tangshan Jianbei Sub-branch	MCC Dexian Mansion	159,485,000.00	124,128,864.29			
61	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Housing Provident Fund	MCC Dexian Mansion	82,895,000.00	69,109,496.80			
62	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Bank of Communications	MCC Dexian Mansion	3,820,000.00	1,107,716.11			
63	Yantai MCC Real Estate Co., Ltd.	Yantai MCC Real Estate Co., Ltd.	Qin Hai Yun Shu	10,558.00	10,558.00	209,538.00	2022/1/1	From the Date the Bank Obtains the Original Mortgage Registration Certificate

2. Mortgage matters of MCC Real Estate and its subsidiary project companies

(1) Nanjing Linjiang Old City Renovation and Construction Investment Co., Ltd.

MCC Real Estate and and its subsidiary project company Nanjing Linjiang entered into a maximum-amount mortgage contract with Agricultural Bank of

China Limited Nanjing Chengbei Sub-branch, to guarantee a maximum debt balance of RMB Nine Hundred Twenty-eight Million Five Hundred Twenty Thousand Only. The list of mortgaged properties is shown in the table below:

Location	Plot No. 3 (01-08 Plot), West of Jiangbian Road, Gulou District	**Property Unit No.**	320106012003GB00261W00000000
Property Right No.	S (2019) NGBDCQ No. 0040619	**Type of Right**	State-owned construction land use right
Term of Use	Commercial Service Land: from March 25, 2015, to March 24, 2055; Business Office Land: from March 25, 2015, to June 24, 2055; Urban Residential Land (Serviced Apartment): from March 25, 2015, to March 24, 2080	**Nature of Right**	Transfer
Purpose	Mixed Use: Commercial service land, business office land, urban residential land (serviced apartment)	**Parcel Area**	6,016.63 square meters
Appraised Value of the Mortgaged Real Estate for This Mortgage	RMB 402,720,000.00		

Continuation of the Table:

Location	Plot No. 3 (01-09 Plot), West of Jiangbian Road, Gulou District	**Property Unit No.**	320106012003GB00223W00000000
Property Right No.	S (2019) NGBDCQ No. 0040503	**Type of Right**	State-owned construction land use right
Term of Use	Commercial Service Land: from March 25, 2015, to March 24, 2055; Business Office Land: from March 25, 2015, to June 24, 2055; Urban Residential Land (Serviced Apartment): from March 25, 2015, to March 24, 2080	**Nature of Right**	Transfer
Purpose	Mixed Use: Commercial service land, business office land, urban residential land (serviced apartment)	**Parcel Area**	11,140.85 square meters
Appraised Value of the Mortgaged Real Estate for This Mortgage	RMB 525,800,000.00		

(2) Qingdao MCC Minghua Development Co., Ltd. (hereinafter referred to as "Qingdao Minghua")

On December 19, 2023, MCC Real Estate and and its subsidiary project company Qingdao Minghua signed the *Fixed Assets Loan Contract* with China Construction Bank Corporation Qingdao Sifang Branch, Contract No.: (GD2023-02), with a loan amount of RMB Six Hundred Million Only and a loan term of 24 months, from January 1, 2024, to December 31, 2025. The loan interest rate is a floating rate, with an annual rate equal to the one-year LPR minus 15 basis points, adjusted once per year. The currently effective actual interest rate is 2.95%. The loan under this contract is secured by a mortgage.

On December 19, 2023, Qingdao Minghua signed a maximum-amount mortgage contract with the lender, Contract No.: ZGD2023-188, with a mortgage term from December 19, 2023, to December 31, 2025. The maximum liability under the maximum-amount mortgage is RMB Three Hundred and Sixty-seven Million Two Hundred and Fifty-nine Thousand Seven Hundred Only. The mortgaged properties are residential properties of Qingdao Minghua, with property certificate numbers L (2023) QDSJMQ BDCQ No. 0005985 and L (2022) QDSJMQ BDCQ No. 0027445, covering an area of 30,862.16 square meters. The location of the mortgaged properties is No. 333, Hongyanhe 1st Road, Jimo District, Qingdao City.

On December 19, 2023, Qingdao Minghua signed a maximum-amount mortgage contract with the lender, Contract No.: ZGD2023-189, with a mortgage term from December 19, 2023, to December 31, 2025. The maximum liability under the maximum-amount mortgage is RMB One Hundred and Seventeen Million Five Hundred and Sixty-nine Thousand Eight Hundred Only. The mortgaged properties are residential properties of Qingdao Minghua Dexian Mansion, with property certificate numbers L (2023) QDSJMQ BDCQ No. 0006069, covering an area of 10,014.4 square meters. The location of the mortgaged properties is No. 186-201, Hongyanhe 2nd Road, Jimo District, Qingdao City.

On December 19, 2023, Qingdao Minghua signed a maximum-amount mortgage contract with the lender, Contract No.: ZGD2023-190, with a mortgage term from December 19, 2023, to December 31, 2025. The maximum liability under the maximum-amount mortgage is RMB Nine Hundred and Fifty-five Million Eight Hundred and Eighty-nine Thousand Four Hundred Only. The mortgaged property is Qingdao Minghua's construction-in-progress project, with real estate certificate number L (2023) QDSJMQ BDCQ No.

0003708, covering an area of 140,186.24 square meters. The mortgaged property is located at No. 333, Hongyanhe 1st Road, Jimo District, Qingdao City, among other locations.

(3) Tangshan MCC Minghe Real Estate Development Co., Ltd. (hereinafter referred to as "Tangshan MCC")

As of the valuation benchmark date, the details of external borrowings and mortgage arrangements of MCC Real Estate and its subsidiary project company, Tangshan MCC, are as follows:

As of the valuation date, the details of external borrowings and mortgage matters of Tangshan MCC Minghe Real Estate Development Co., Ltd. are as follows:

Monetary Unit: RMB

S/N	Lending Bank or Institution	Guarantee Method	Occurrence Date	Maturity Date	Annual Interest Rate (%)	Book Value	Related Contract
1	China Postal Savings Bank Co., Ltd. Tangshan Branch	Credit Loan	2022/11/25	2025/10/20	3.55%	171,000,000.00	*Real Estate Development Loan Contract* No. PSBCB-YYT2022102101.
2	China Postal Savings Bank Co., Ltd. Tangshan Branch	Mortgage Loan	2024/1/1	2025/12/20	3.65%	135,000,000.00	*Real Estate Development Loan Contract* No. PSBC13-YYT2023120701; *Mortgage Contract* No. PSBC13-YYT2023120701-01;
3	China Postal Savings Bank Co., Ltd. Tangshan Branch	Mortgage Loan	2024/1/1	2026/6/20	3.65%	15,000,000.00	
4	China Postal Savings Bank Co., Ltd. Tangshan Branch	Mortgage Loan	2024/1/1	2026/12/20	3.65%	135,000,000.00	
	Total					456,000,000.00	

This valuation does not take into account the impact of the above-mentioned mortgage and guarantee matters on the value of the related assets.

(IX) Description of Lease Arrangements

The lease arrangements involving the MCC Real Estate headquarters in this valuation are as follows:

Serial Number	Lessee	Lessor	Lease Details	Lease Term	Rent (RMB)

Serial Number	Lessee	Lessor	Lease Details	Lease Term	Rent (RMB)
1	MCC Real Estate	Beijing Haike Real Estate Development Co., Ltd.	29th and 30th Floors, Office Building, Jin'ao International Tower, No. 17 Madian East Road, Haidian District, Beijing, 4,816.76 square meters.	20 years, from January 1, 2016 to December 31, 2036	RMB 90 per square meter per month.
2	MCC Real Estate	Beijing Haike Real Estate Development Co., Ltd.	Basement Canteen & Archive Room, Jin'ao International Tower, No. 17 Madian East Road, Haidian District, Beijing, 865.5 square meters.	20 years, from January 1, 2016 to December 31, 2036	RMB 90 per square meter per month.
3	MCC Real Estate	Beijing Haike Real Estate Development Co., Ltd.	Seventeen Underground Parking Spaces, Office Building, Jin'ao International Tower, No. 17 Madian East Road, Haidian District, Beijing	20 years, from January 1, 2016 to December 31, 2036	RMB 800 per space per month.

(X) Other Matters to Be Explained

1.Explanation of Losses Related to MCC's Claims against MCC Real Estate

The equity and debt asset package proposed for transfer consists of the equity and claims held by MCC in its wholly-owned subsidiary. The claims primarily arose from project investment funds injected by MCC into the real estate development project companies under MCC Real Estate. As the appraised value of MCC's equity interest in MCC Real Estate is negative RMB 14.927 billion, the asset package is to be transferred as a whole. The corresponding claims, amounting to approximately RMB 14.927 billion, are used to offset the investment losses arising from MCC's equity investment in MCC Real Estate.

2. Litigation involving the repurchase of a 49% equity interest in MCC Capital Real Estate Yantai Co., Ltd. (hereinafter referred to as "MCC Yantai")

On June 15, 2023, the minority shareholder of MCC Real Estate and and its

subsidiary project company MCC Yantai. - Yantai Jinlan Investment Co., Ltd. - filed a complaint with the Muping District People's Court of Yantai City, requesting a ruling that MCC Yantai repurchase Jinlan's 49% equity interest. The grounds cited included MCC Yantai's failure to distribute profits despite eight consecutive years of profitability, the unauthorized establishment of Yantai Yuanpei and an investment of RMB 180 million in educational construction without a shareholders' resolution. Jinlan also applied for pre-litigation property preservation. In December 2023, the first-instance judgment ordered MCC Yantai to pay Yantai Jinlan Investment Co., Ltd. the acquisition payment of RMB 214,387,976 for the repurchase of Jinlan Investment's 49% equity in MCC Yantai. After MCC Yantai filed an appeal, on July 9, 2024, the Intermediate People's Court of Yantai City, Shandong Province, upheld the original judgment in the second instance. The case is currently in the protest stage and has been accepted by the Yantai People's Procuratorate. The Supreme People's Court is facilitating settlement negotiations between the parties regarding enforcement.

Pursuant to Civil Judgment No. 2852 (2024) of Lu 06 Min Zhong, the defendant, Yantai Zhongye, is obliged to pay RMB 120 million to the plaintiff, Yantai Jinlan Investment Co., Ltd., for the acquisition of its 49% equity interest in Yantai Zhongye. While the audit firm has recognized this obligation in Yantai Zhongye's books, the industrial and commercial registration for the 49% equity transfer had not been completed as of the valuation date. Consequently, for the purpose of this valuation, the long-term equity investment in Yantai Zhongye was still calculated based on a 51% shareholding. The assessed 100% equity value of Yantai Zhongye as of the valuation date was RMB -1,106.5314 million. The impact of acquiring the 49% equity interest was not considered in this valuation.

(XI) The future profit forecasts involved in this valuation are based on

projections prepared by the management of MCC Real Estate and and its subsidiary project company and confirmed by MCC Real Estate. MCC Real Estate is responsible for the authenticity, scientific validity, and completeness of the relevant data and information supporting the future profit forecast, as well as for the reasonableness and achievability of the forecast itself. This valuation report has been prepared based on the forecast data and information provided by MCC Real Estate. It is the responsibility of the client and relevant parties to provide the necessary materials and ensure the authenticity, legality, and completeness of the materials provided; the responsibility of the asset valuation professionals is to analyze and estimate the value of the valuation object for the specific purpose at the valuation date and to express professional opinions.

(XII) The valuation assumptions used in this income approach valuation represent a reasonable prediction of the future operations of the valuation object under current conditions. If various unpredictable and unavoidable factors arise in the future that could affect the fulfillment of these assumptions, the degree to which the profit forecast is achieved may be impacted. The asset valuation professionals hereby remind the client and other relevant parties that we do not guarantee the realization of the aforementioned assumptions, nor do we undertake any obligation to realize or assist in realizing them.

(XIII) Matters occurring between the valuation date and the asset valuation report date that could potentially impact the valuation conclusion

None.

If the quantity of assets or pricing standards change after the valuation date, affecting the valuation conclusion, this valuation conclusion cannot be used directly and must be adjusted or a re-valuation must be conducted.

(XIV) Defects in the economic behavior corresponding to this asset valuation that could have a significant impact on the valuation conclusion.

None.

The valuation conclusion is issued by SinoValue Assets Appraisal Co., Ltd., and is influenced by the professional competence and capabilities of the asset valuation professionals of this firm.

Users of the Asset Valuation Report shall note the impact of the above special matters on the valuation conclusion.

XIII. Restrictions on the Use of the Asset Valuation Report

(I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.

(II) If the client or other users of this asset valuation report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its valuers shall bear any responsibility.

(III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

(IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

(V) This report must be signed and sealed by the asset valuation institution, the legal representative of the asset valuation institution, and two asset valuers. Furthermore, in accordance with the relevant regulations concerning

state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.

(VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

(VII) The validity period for the use of the valuation conclusion in this report is one year from the valuation date, i.e., it is valid for use from July 31, 2025 to June 30, 2026. When the valuation purpose is realized within one year after the valuation date, the valuation conclusion can serve as a reference for this valuation purpose. If it exceeds one year, a new asset valuation must be conducted.

XIV. Date of the Asset Valuation Report

Date of this report: December 3, 2025.

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Legal Representative of the Valuation Institution:

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SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Asset Valuation Report
Supplementary Information

on the Project of the Market Value of the Asset Package Formed by the Entire Equity Interest and Debts of MCC Real Estate Group Co., Ltd. Held by Metallurgical Corporation of China Ltd., Involved in the Proposed Overall Transfer of Equity and Debts by Metallurgical Corporation of China Ltd

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

Summary of Valuation Assumptions and Calculation Process of Valuation of the Shareholders' Total Equity Value of MCC Real Estate Group Co., Ltd. via the Income Approach

I. Introduction to the Application of the Income Approach

The income approach refers to a general term for various valuation methods that judge the value of an asset by estimating the present value of its expected future income. It follows the idea of deriving the principal from profits in asset valuation that is, adopting the approaches and methods of capitalization and discounting to judge and estimate the value of an asset.

II. Base of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value. Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the valuation institution accepted the Client's valuation engagement.

III. Valuation Assumptions of the Income Approach

(I) 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

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

(II) 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 enterprise will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. Assume that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.

11. The valuation scope is based on the range of assets provided by the Client. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.

12. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

IV. Specific Form of the Income Approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used and the basis of the discount rate be consistent. Based on the industry, business model, capital structure, and development trends of the Evaluated Entity, the Free Cash Flow to the Firm discount model under the Discounted Cash Flow Method was selected for the Income Approach in this valuation. This model involves discounting the Free Cash Flow to the Firm over the future income period using an appropriate discount rate and summing the results to calculate the value of the operating assets. The value of surplus assets, non-operating assets, and liabilities is then added, and the value of interest-bearing debt is subtracted to ultimately obtain the shareholders' total equity value.

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used and the basis of the discount rate be consistent.

Shareholders' Total Equity Value = Total Enterprise Value - Interest-Bearing Debt Value

Total Enterprise Value = Value of Operating Assets + Value of Surplus Assets + Value of Non-Operating Assets and Liabilities

(I) Value of Operating Assets

The value of operating assets includes the present value of the Free Cash Flow to the Firm during the detailed forecast period and the present value of the Free Cash Flow to the Firm during the perpetual period following the detailed forecast period.

(II) Income Basis - Free Cash Flow to the Firm

The type of income used in the valuation is free cash flow to the firm. Free Cash Flow to the Firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

(III) Discount Rate

The discount rate was calculated using the Build-up Method for the income approach to the equity of MCC Real Estate in this valuation. The discount rate refers to the expected rate of return required by investors based on their analysis of the macro and microeconomic environment within the framework of the specific valuation purpose. It includes the risk-free rate of return and the risk premium rate:

Discount rate = risk-free rate of return + risk premium rate

Wherein: The risk premium rate includes the industry risk premium rate and the company-specific risk premium rate. The company-specific risk premium rate generally includes the industry risk premium rate, operational risk premium rate, financial risk premium rate, and other risk premium rates.

(IV) Income Period

A perpetual period was adopted as the income period for this valuation. Among them, the first stage is from August 1, 2025 to December 31, 2030, a period of five years and one period. During this stage, the income status is changing based on the operating conditions of MCC Real Estate's headquarters. The second stage is from January 1, 2031 to perpetuity. During this stage, MCC Real Estate's headquarters is assumed to maintain the stable level of earnings forecast for 2030.

(V) Valuation Calculation Formula for the Income Approach

The calculation formula for the Income Approach used in this valuation is as follows:

$$P = \sum_{i=1}^{n} \frac{A_i}{(1+R)^i} + \frac{A}{R(1+R)^n} - B + OE$$

Wherein: P - Total equity valuation value of the enterprise's shareholders;

Ai - Free Cash Flow to the Firm during the detailed forecast period;

A - A = Free Cash Flow to the Firm during the perpetual period following the detailed forecast period;

R - Discount rate;

n - Detailed forecast period;

B - Present value of the interest-bearing debt as of the valuation date;

OE - Present value of the sum of surplus assets, non-operating assets and liabilities as of the valuation date.

V. Forecast and Estimation Process of the Income Approach Valuation

MCC Real Estate completed and provided the *Income Approach Valuation Declaration Form*. Asset valuation professionals conducted independent analysis and judgment on the future forecasts provided by the enterprise, and carried out a review of the enterprise's future operation and income forecasts in combination with the interviews and understanding of the enterprise by the asset valuation professionals.

(I) Forecast of Operating Income and Costs

As a platform management company, the MCC Real Estate's headquarters has no business income or costs of its own. Other businesses of the MCC Real Estate's headquarters, including income from fixed asset leasing and other preliminary service fees, are not included in the forecast for this valuation.

(II) Forecast of Taxes and Surcharges

The turnover taxes involved in various incomes of the MCC Real Estate's headquarters are mainly value-added tax (VAT). The enterprise implements the VAT tax rates stipulated by the state. The VAT items involved in the enterprise's business income, costs and expenses are subject to general tax calculation, with VAT output tax rates of 13% and 6% respectively. Among them, the output tax rate for product sales, leasing and maintenance businesses is 13%, and the tax rate for other consulting service income is 6%. The VAT payable during the forecast period is calculated based on the

enterprise's forecasted VAT input tax and output tax.

The urban maintenance and construction tax (UMCT) and education surcharges are calculated respectively based on the UMCT tax rate of 7%, the education surcharge and local education surcharge tax rate of 5% implemented by the MCC Real Estate's headquarters, and the VAT payable.

In accordance with Document CK [2016] No. 22, after the comprehensive trial implementation of replacing business tax with VAT, the enterprise has included stamp duty, real estate tax, land use tax and vehicle and vessel use tax in the accounting of the "Taxes and Surcharges" subject. Among them, stamp duty is accrued at 0.03% of sales income and sales costs, and vehicle and vessel use tax is forecasted based on the actual occurrence level in historical years.

(III) Forecast of Sales Expenses

MCC Real Estate's headquarters had no sales expenses in the historical period, and there is no forecast of sales expenses for the future either.

(IV) Forecast of Management Expenses

The management expenses of MCC Real Estate's headquarters mainly include depreciation and amortization, employee compensation, information technology fees, travel expenses, office expenses, intermediary fees, leasing fees, property water and electricity fees, and other management expenses. Wherein:

For depreciation and amortization expenses, which are fixed costs, the calculation is made based on the existing asset conditions, subsequent capital additional expenditures and the depreciation and amortization period.

For employee compensation, which mainly refers to the salaries of the management personnel of MCC Real Estate's headquarters, this valuation is based on the premise of the existing stock of projects. As the real estate development projects under its management are gradually wound up, the number of personnel in the functional departments of the headquarters is considered to decrease by a certain proportion in the future years on the basis of maintaining the existing number of personnel, and the employee compensation is forecasted in combination with the average salary level of the existing personnel.

For leasing fees, the forecast is made according to the actual lease contract situation of the enterprise, and a certain increase is considered according to the price level after the expiration of the lease term. For travel expenses, office expenses, etc., the forecast is made by considering the number of personnel and changes in per capita

costs; for information technology fees, property water and electricity fees, and other administrative expenses, the forecast is made in combination with the enterprise's 2025 budget and a certain level of growth in subsequent years.

(V) Forecast of Research and Development Expenses

MCC Real Estate's headquarters had no research and development expenses in the historical years, and there is no forecast of research and development expenses for the future either.

(VI) Forecast of Financial Expenses

In historical years, the financial expenses of MCC Real Estate's headquarters mainly included interest income, interest expenses and bank handling fees. As of the valuation date, MCC Real Estate's headquarters had interest-bearing debts such as long-term borrowings and bonds payable on its books. Its interest expenses were mainly the costs of capital incurred by MCC Real Estate's headquarters as a financing platform for its subordinate project companies to conduct external financing, and its interest income was mainly the interest on the principal of investments receivable from subordinate project companies.

According to the enterprise's financing and borrowing plans for future years and the subsequent investment plans for various projects, its interest income, interest expenses and the corresponding bank handling fees are roughly equivalent, and no forecast will be made for future years.

(VII) Forecast of Other Income, Investment Income and Impairment Losses

Investment income in historical years was dividends receivable from subsidiaries. In this valuation, each long-term equity investment has been evaluated separately, and no forecast will be made for future years.

Other income in historical years mainly included government subsidies and handling fees for withholding personal income tax, etc. The forecast for future years is uncertain, so no forecast is made in this valuation.

Impairment losses are incidental, so no forecast is made in this valuation.

(VIII) Forecast of Non-operating Income and Expenses

In the past two years, the non-operating income and expenses of MCC Real Estate's headquarters were other sporadic income and confiscatory expenditures, etc. Since non-operating income and expenses are contingent, no forecast is made for the non-operating income and expenses in the forecast years in this valuation.

(IX) Forecast of Income Tax Expenses

Enterprise income tax is a tax levied on the production and business income as well as other income of domestic enterprises and business units in China. The *Enterprise Income Tax Law of the People's Republic of China* stipulates that the general enterprise income tax rate is 25%. Since the enterprise is not a high-tech enterprise, the enterprise income tax rate is forecasted to be calculated and paid at 25% in this valuation.

(X) Forecast of Depreciation and Amortization

The operating fixed assets of MCC Real Estate's headquarters mainly consist of vehicles and electronic equipment. In this valuation, on the basis of estimating the depreciation amount for the future operating period according to the company's fixed asset depreciation policy, using the book original value as of the valuation date, the expected service life, the depreciation rate and other factors, the forecast of the company's fixed asset depreciation for future years is made by considering factors such as the increase in the annual depreciation amount of the company's fixed assets in the future due to capital investment in future years, and the decrease in the annual depreciation amount of the company's fixed assets in the future due to the elimination of old fixed assets.

(XI) Forecast of Capital Expenditures

Capital expenditures refer to the expenditures incurred by an enterprise for the purchase and construction of fixed assets or other non-current assets to maintain its operations. The operating fixed assets of MCC Real Estate mainly consist of vehicles and electronic equipment. Based on the premises and foundations of the income forecast, and in combination with the capital expenditures for asset renewal and addition in the enterprise's historical years, the future capital expenditures are estimated.

Capital investment will increase the enterprise's annual depreciation amount of fixed assets in the future, but obsolete assets will also be withdrawn. Eventually, the capital expenditures and the depreciation of fixed assets will reach a matching state. Capital expenditures are an overall matching forecast made by comprehensively considering the depreciation of fixed assets, and no detailed forecast will be made any longer.

(XII) Forecast of Working Capital

The increase in working capital refers to the additional operating capital that an enterprise needs to invest to maintain normal operations without changing the current

operating and production conditions. For example, the basic funds required for maintaining cash for normal operations, the purchase of product inventory, the advance payment for purchases on behalf of clients (receivables), as well as the payable amounts, etc. The increase in working capital refers to the cash occupied by obtaining commercial credit from others, the cash and inventory maintained for normal operations, etc., as the enterprise's business activities change; At the same time, in economic activities, providing commercial credit can reduce the immediate payment of cash accordingly.

Working capital is equal to operating current assets minus interest-free liabilities. Operating current assets include all current assets used or needed for the company's operations, including certain cash balances, receivables, inventory, etc. In this valuation, working capital for the forecast period is calculated by subtracting interest-free liabilities from operating current assets.

This calculation of working capital takes into account the enterprise's minimum monetary fund holding amount. The minimum monetary fund holding amount is an indicator to measure whether an enterprise has sufficient funds to ensure its normal operation. The minimum monetary fund holding amount is determined by taking the enterprise's main expense items (including operating costs, taxes and surcharges, administrative expenses, sales expenses, research and development expenses, financial expenses - interest expenses), deducting expenses that do not require cash payment (depreciation) as the enterprise's annual expense costs, thereby obtaining the enterprise's monthly expense costs; Then calculating the enterprise's minimum monetary fund holding amount based on the number of months of the enterprise's safety funds.

The portion of the enterprise's monetary funds as of the valuation date that exceeds the minimum monetary fund holding amount is regarded as the enterprise's surplus monetary funds. The enterprise has surplus monetary funds as of the valuation date.

The change in working capital as defined in this report is: Change in working capital = Current period working capital - Previous period working capital

(XIII) Determination of the Discount Rate

The discount rate refers to the expected rate of return required by investors based on their analysis of the macro and microeconomic environment within the framework of the specific valuation purpose. It includes the risk-free rate of return and the risk premium rate:

Discount rate = risk-free rate of return + risk premium rate

Wherein: The risk premium rate includes the industry risk premium rate and the company-specific risk premium rate. The company-specific risk premium rate generally includes the operational risk premium rate, financial risk premium rate, and other risk premium rates.

1. Risk-free Rate of Return

The risk-free rate of return refers to the expected rate of return of investors on risk-free assets. For this project, the yield to maturity of Chinese treasury bonds with a remaining term of more than ten years as of the valuation date of July 31, 2025 is adopted as the risk-free rate of return, with a value of 2.84% (retained to two decimal places).

2. Forecast of the Industry Risk Premium Rate

MCC Real Estate's headquarters is a management platform, and its major subsidiaries all belong to the real estate industry, which is subject to many uncertain influencing factors in the future. On the whole, the industry risk premium rate is set at a moderate level of 1.5%.

3. Company-specific Risk Premium Rate

(1) Operational Risk Premium Rate

The operational risk of an enterprise mainly stems from external competition, internal management, etc. MCC Real Estate's headquarters has no main business of its own; as a management platform, its main income comes from the interest on loans to subsidiaries, and there is basically no external competition in its own operations. The operating conditions of the major subsidiaries managed by MCC Real Estate are taken into account. The operational risk premium rate is estimated at 2.0% after comprehensive consideration of the operational risks.

(2) Financial Risk Premium Rate

The recent costs of MCC Real Estate's headquarters are relatively stable, with no advance payments and low capital pressure. The operational risk premium rate is estimated at 0.5% after comprehensive consideration of the operational risks.

(3) Other Risk Premium Rates

The other risk premium rates mainly consider whether the enterprise's forecast of future income for this valuation is prudent, neutral or optimistic, with a value generally ranging from -1% to 1%. The enterprise's forecast of future income is completely based on its existing assets and operating scale and the forecast is made using a basically fixed

income and cost model corresponding to existing contracts. Combined with the actual operating conditions of the enterprise, we believe that the future forecast is a neutral one, so the other risk premium rates are set at 0%.

4. Determination of the Discount Rate

Discount rate = 2.84% + 1.5% + 2.0% + 0.5% + 0% = 6.84%

(XIV) Discount Calculation of Free Cash Flow to the Firm

1. Estimation of the Value of Operating Assets

Through the above estimation, asset valuation professionals forecasted the free cash flow to the firm for the next five years and one period. The discount factors for each period used in the following calculation are as follows:

Discount factor for August-December 2025 = 1 ÷ (1 + annual discount rate) $^{(5/12\ /\ 2)}$

Discount factor for 2026 (considering mid-year adjustment) = 1 ÷ (1 + annual discount rate) $^{((5+6)\ /\ 12)}$

For 2027 and subsequent years, the current discount factor can be calculated by dividing the discount factor of the previous period by (1 + the annual discount rate of the current year).

The current income multiplied by the current discount factor is converted into present value. Asset valuation professionals reasonably assume that the free cash flow to the firm will remain stable from 2031 onwards and the enterprise will operate indefinitely. The annual free cash flow to the firm can be capitalized into the value as of mid-2030 using the discount rate, and then converted into the value as of the valuation date. By summing up the free cash flows to the firm converted to the valuation date, the valuation value of the enterprise's operating assets within the scope of the income approach calculation for MCC Real Estate derived from the income approach valuation is RMB -2,118.2967 million.

2. Non-operating Assets / Surplus Assets

The overall income approach valuation of MCC Real Estate is mainly conducted based on the parent company's statement caliber. The equity of subsidiaries in which it has invested, as well as assets and liabilities not included in the income approach valuation model, are considered as surplus or non-operating assets and liabilities. The final valuated result of such assets through calculation is RMB -7,324.1476 million.

The main items of MCC Real Estate's surplus or non-operating assets and

liabilities include:

(1) Other receivables with a book value of RMB 59,218.9987 million, primarily comprising dividends and intercompany balances receivable from subsidiaries, valued at RMB 59,218.9987 million using the asset-based approach;

(2) Long-term equity investments with a book value of RMB 5,417.0980 million, representing the long-term equity investment enterprises held by MCC Real Estate, valued at RMB -13,485.2407 million using the asset-based approach. In the valuation of properties under development and completed properties, the valuation model primarily takes the following factors into account to determine the appraisal value:① the estimated salable construction area of various types of properties to be sold during the corresponding sales period for each property project;②the estimated unit sales price of various types of properties in each development project;③the costs and taxes related to the development and sales of the property projects;④the discount rate corresponding to each property project.

(3) Other payables with a book value of RMB 53,728.5515 million, primarily consisting of dividends to shareholders and intercompany balances payable, valued at RMB 53,728.5515 million using the asset-based approach.

3. Interest-bearing Debt

As of the valuation date, the interest-bearing debt of MCC Real Estate's headquarters is RMB 5,484.7585 million.

4. Income Approach Valuation Result

The shareholders' total equity value of MCC Real Estate derived from the income approach valuation is obtained by taking the value of operating assets and adding back the net non-operating assets and liabilities.

Income Approach Calculation Sheet for the Valuation of Shareholders' Total Equity Value

Monetary Unit: RMB 10,000

Project / Year	August - December 2025	2026	2027	2028	2029	2030	Stabilization Period	Remarks

I. Operating income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (I) Forecast of Operating Revenue and Cost* for detailed calculation logic
II. Operating costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Taxes and surcharges	0.54	1.29	1.29	1.29	1.29	1.29	1.29	Refer to *V. (II) Forecast of Taxes and Surcharges* for detailed calculation logic
Sales expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (III) Forecast of Selling Expenses* for detailed calculation logic
Management expenses	7,050.98	17,750.84	16,951.98	15,033.91	13,871.04	13,652.31	13,652.31	Refer to *V. (IV) Forecast of Administrative Expenses* for detailed calculation logic
R&D expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (V) Forecast of R&D Expenses* for detailed calculation logic
Financial expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (VI) Forecast of Financial Expenses* for detailed calculation logic
III. Operating Profit	**-7,051.51**	**-17,752.13**	**-16,953.27**	**-15,035.19**	**-13,872.33**	**-13,653.60**	**-13,653.60**	
IV. Total Profit	**-7,051.51**	**-17,752.13**	**-16,953.27**	**-15,035.19**	**-13,872.33**	**-13,653.60**	**-13,653.60**	
Minus: Income tax expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (IX) Forecast of Income Tax Expense* for detailed calculation logic
V. Net Profit	**-7,051.51**	**-17,752.13**	**-16,953.27**	**-15,035.19**	**-13,872.33**	**-13,653.60**	**-13,653.60**	
Plus: Depreciation	171.43	411.44	355.55	21.95	57.00	95.00	95.00	Refer to *V. (X) Forecast of Depreciation and Amortization* for detailed calculation logic
Amortization	355.66	853.58	826.07	636.51	676.51	716.51	716.51	
Minus: Additional working capital investment	-622.25	93.96	-7.40	-25.25	51.07	1.98		Refer to *V. (XII) Forecast of Working Capital* for detailed calculation logic
Minus: Capital expenses	0.00	0.00	0.00	450.00	450.00	450.00	811.51	Refer to *V. (XI) Forecast of Capital Expenditures* for detailed calculation logic
VI. Free Cash Flow to the Firm	**-5,902.17**	**-16,581.07**	**-15,764.25**	**-14,801.48**	**-13,639.89**	**-13,294.07**	**-13,653.60**	
1. Annual discount rates	6.84%	6.84%	6.84%	6.84%	6.84%	6.84%	6.84%	Refer to *V. (XIII) Determination of Discount Rate* for the selection of the discount rate
2. Discount period	0.2083	0.9167	1.9167	2.9167	3.9167	4.9167		
3. Discount factor	0.9863	0.9412	0.8809	0.8245	0.7717	0.7223		
4. Present value of free cash flow	-5,821.38	-15,605.34	-13,886.73	-12,203.88	-10,526.15	-9,602.47	-144,183.72	
5. Cumulative present value of free cash flow	-5,821.38	-21,426.71	-35,313.44	-47,517.33	-58,043.48	-67,645.95	-211,829.67	
6. Discounted value of free cash flow to the firm	-211,829.67		7. Plus: Enterprise redundant and non-operating assets		-732,414.76			

8.Interest-bearing liabilities	548,475.85	9. Total equity value of the enterprise's shareholders	**-1,492,720.28**	

Free Cash Flow to the Firm in the above table refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

5.The shareholders' total equity value of MCC Real Estate, as of the valuation date (July 31, 2025), determined using the income approach, is RMB -14,927.2028 million.

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SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

This Asset Valuation Report is prepared in accordance with the Chinese Valuation Standards

Asset Valuation Report

on the Entire Equity Interest of China Non-ferrous Engineering Co., Ltd. Involved in the Proposed Transfer of a Subsidiary's Equity by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010155

(This Valuation Report comprises 1 volume. This is Volume 1.)

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Contents

STATEMENT ..... - 3 -

SUMMARY ..... - 5 -

TEXT ..... - 8 -

I. General Information on the Client, the Evaluated Entity, and Other Users of the Asset Valuation Report as Stipulated in the Asset Valuation Engagement Contract ..... - 8 -

II. Valuation Purpose ..... - 16 -

III. Valuation Object and Scope ..... - 16 -

IV. Base of Value and Its Definition ..... - 21 -

V. Valuation Date ..... - 22 -

VI. Valuation Bases ..... - 22 -

VII. Valuation Method ..... - 31 -

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach ..... - 32 -

IX. Application of specific valuation methods in the income approach ..... - 51 -

X. Implementation Process and Situation of the Valuation Procedures ..... - 54 -

XI. Valuation Assumptions ..... - 57 -

XII. Evaluation Conclusion ..... - 60 -

XIII. Notes for Special Matters ..... - 63 -

XIV. Notes on Usage Restrictions for the Assessment Report ..... - 72 -

XV. Date of the Asset Valuation Report ..... - 73 -

Statement

I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.

II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.

III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.

VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them

through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.

VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.

VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on the Entire Equity Interest of China Non-ferrous Engineering Co., Ltd. Involved in the Proposed Transfer of a Subsidiary's Equity by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010155

Summary

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the shareholders' total equity value of entire equity interest of China Non-ferrous Engineering Co., Ltd. involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. The main content of this Asset Valuation Report is summarized as follows:

I. **Valuation Purpose:** According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), the entire equity interest of China Non-ferrous Engineering Co., Ltd. involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd. is required to be valuated. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the total equity interest of China Non-ferrous Engineering Co., Ltd. involved in the aforementioned economic behavior, to serve as a value reference for this economic behavior.

II. Valuation Object and Scope: The valuation object is the total equity value of the shareholders of China Non-ferrous Engineering Co., Ltd. The valuation scope covers all assets and liabilities of China Non-ferrous Engineering Co., Ltd. As of the valuation date, July 31, 2025, the company's

total assets had a book value of RMB 5,741.8096 million, total liabilities had a book value of RMB 1,087.9743 million, and net assets had a book value of RMB 4,653.8352 million.

III. Base of Value: The base of value for the conclusion in this Asset Valuation Report is market value.

IV. Valuation Date: July 31, 2025.

V. Valuation Method: Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the asset-based approach.

VI. Valuation Conclusion: The valuation determined that as of the valuation date, July 31, 2025, the assessed market value of the shareholders' total equity valuation value of China Non-ferrous Engineering Co., Ltd. was RMB 10,495.5790 million. In words: RMB Ten Billion Four Hundred and Ninety-five Million Five Hundred and Seventy-nine Thousand. The appraisal concluded that, compared with the parent company's book equity of RMB 4,653.8352 million as of the valuation date, the appraised value increased by RMB 5,841.7438 million, representing an appreciation rate of 125.53%.

VII. Validity Period of the Valuation Conclusion: According to relevant regulations, the valid usage period of the evaluation conclusion in this report is one year, specifically from July 31, 2025 to July 30, 2026.

VII. Special Matters Affecting the Valuation Conclusion: When using this valuation conclusion, users of this Valuation Report are advised to note the valuation assumptions, limiting conditions, and special matters set forth in the main text of the Report, as well as their impact on the valuation conclusion, and to give them full consideration.

The above content is extracted from the main text of the asset valuation report. To get details of this valuation business and correctly

understand and use the valuation conclusion, users shall read the main text of the asset valuation report.

Asset Valuation Report

on the Entire Equity Interest of China Non-ferrous Engineering Co., Ltd. Involved in the Proposed Transfer of a Subsidiary's Equity by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010155

Text

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to valuate, in accordance with relevant laws, administrative regulations, and asset valuation standards, and adhering to the principles of independence, objectivity, and fairness, the market value of the entire equity interest of China Non-ferrous Engineering Co., Ltd. involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd. as of the valuation date of July 31, 2025, using both the income approach and the asset-based approach and following the necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. General Information on the Client, the Evaluated Entity, and Other Users of the Asset Valuation Report as Stipulated in the Asset Valuation Engagement Contract

(I) Overview of the Client

Company Name: Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")

Unified Social Credit Code: 91110000710935716X

Registered Address: No. 28 Shuguang Xili, Chaoyang District, Beijing

Legal Representative: Chen Jianguang

Registered Capital: RMB 20,723,619,170

Enterprise Type: Joint Stock Limited Company (Listed, State-Controlled)

Date of Establishment: December 1, 2008

Business Term: December 1, 2008 to No Fixed Term

Business Scope: Domestic and international engineering consulting, survey, design, and general contracting; engineering technology consulting services; leasing of engineering equipment; technology development, technical services, technical exchange, and technology transfer of new materials, new processes, and new products related to engineering and construction; development, production, and sale of equipment required for the metallurgical industry; planning, survey, design, supervision, and services for construction and mechanical & electrical equipment installation projects, as well as related research; investment, processing, utilization, and sale of metallic mineral products; property development and operation; tendering agency; import and export business; sales of mechanical and electrical products, cars, building materials, instruments and meters, and hardware and electrical equipment. (Market entities shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the national and municipal industrial policies.)

(II) Overview of the Evaluated Entity

1. Basic Information of the Enterprise

Company Name: China Non-ferrous Engineering Co., Ltd. (hereinafter referred to as China Non-ferrous Engineering)

Unified Social Credit Code: 91110000102047272G

Registered Address: No. 12, Fuxing Road, Haidian District, Beijing

Type: State-owned limited liability company

Registered Capital: RMB Two Billion Three Hundred and Forty-six Million Seven Hundred and Thirty Thousand Only

Legal Representative: Liu Cheng

Date of Establishment: September 30, 1992

Business Term: From September 30, 1992 to September 29, 2042

Business Scope: Undertake engineering consulting and cost consulting, engineering design, engineering supervision, project management, engineering general contracting, and engineering equipment manufacturing for domestic and international metallurgical engineering, mining engineering, chemical engineering, environmental engineering (wastewater, waste gas, solid waste), municipal public works, construction engineering, and decoration & renovation engineering; technological development, transfer, consulting, and training in engineering technology; contracting for overseas nonferrous metals engineering projects and domestic international bidding projects; import and export business; advertising in the publications *China Mine Engineering*, *China Nonferrous Metallurgy*, *Energy Saving of Nonferrous Metallurgy* and *Nonferrous Metallurgical Equipment*; house leasing; property management; public parking lot services for motor vehicles; production of chemical products (limited to subsidiaries outside Beijing); sales of chemical products. (The enterprise shall independently choose their business items and conduct business activities in accordance with the law; for sales of chemical products and items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the municipal industrial policies.)

2. Shareholder and Equity Structure of the Evaluated Entity as of the Valuation Date

As of the current valuation date of July 31, 2025, the shareholders and their shareholding ratios of China Non-ferrous Engineering are as follows:

Shareholder Name	Registered capital (10,000 yuan)	Capital Contribution
Metallurgical Corporation of China Ltd.	234673	100%
Total	**234673**	**100%**

3. Historical Evolution of the Evaluated Entity

(1) Company establishment

China Non-ferrous Engineering Co., Ltd., originally named Beijing Central Engineering Institute for Nonferrous Metallurgical Industries, was established in February 1953 as an institution.

It was transformed into an enterprise legal person on September 30, 1992. The equity structure at the time of the company's establishment was:

S/N	Shareholder Name	Subscribed capital contribution (RMB 10,000)	Capital Contribution Ratio
1	China National Nonferrous Metals Industry Corporation	9755	100%

(2) Company name change in 2002

In 2002, the company's name was changed from Beijing Central Engineering Institute for Nonferrous Metallurgical Industries to China Nonferrous Engineering & Research Institute.

(3) In 2005, it entered China Metallurgical Group Corporation (hereinafter referred to as MCC Group) and became its wholly-owned subsidiary. Metallurgical Corporation of China Ltd. conducted a capital increase for China Non-ferrous Engineering, as follows:

S/N	Shareholder Name	Subscribed capital contribution (RMB 10,000)	Capital Contribution Ratio
1	Metallurgical Corporation of China Ltd.	148062	100%

(4) Company name change in 2008

On October 6, 2008, the company's name was changed from China Nonferrous Engineering & Research Institute to China Non-ferrous Engineering Co., Ltd.

(5) Capital increase to RMB 2,300 million in 2013

On December 31, 2013, according to the document *Decision on Capital Increase for China Non-ferrous Engineering Co., Ltd.* (ZYTZ [2013] No. 36), Metallurgical Corporation of China Ltd. increased the capital of China Non-ferrous Engineering. The registered capital increased from RMB 1,480.62 million to RMB 2,300 million. After this capital increase, the subscribed capital contributions and shareholding percentages were as follows:

S/N	Shareholder Name	Subscribed capital contribution (RMB 10,000)	Capital Contribution Ratio
1	Metallurgical Corporation of China Ltd.	230,000	100%

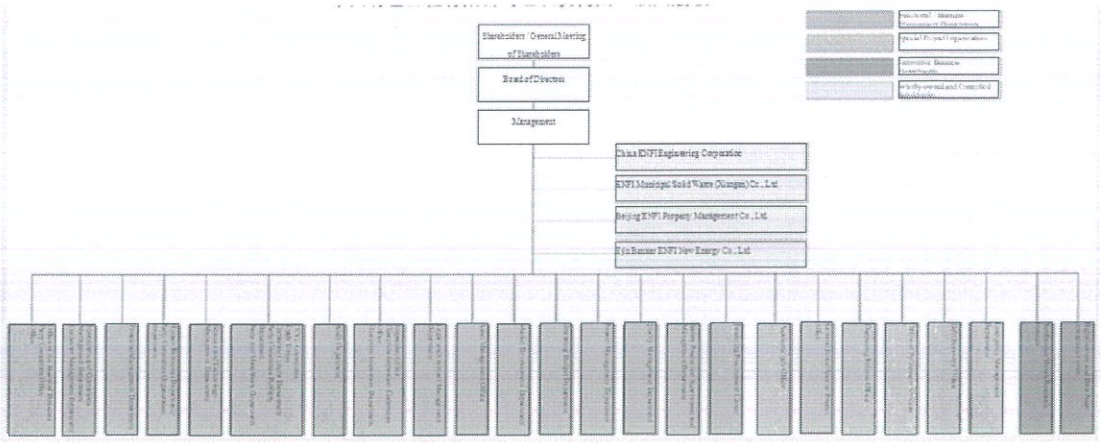
(6) Capital increase to RMB 2,346.73 million in 2021

On April 30, 2021, according to the document *Reply on Approving the Capital Increase for China Non-ferrous Engineering Using Entrusted Loan Funds from Xidong Company and Xiangyang Company* (ZYZT [2020] No. 190), Metallurgical Corporation of China Ltd. increased the capital of China Non-ferrous Engineering. The registered capital increased from RMB 2,300 million to RMB 2,346.73 million. After this capital increase, the subscribed capital contributions and shareholding percentages were as follows:

A/N	Shareholder Name	Subscribed capital contribution (RMB 10,000)	Capital Contribution Ratio
1	Metallurgical Corporation of China Ltd.	234,673	100%

4. Organizational structure and personnel structure of the evaluated entity

Organizational Chart of China Non-ferrous Engineering Co., Ltd. (Legal Person Level)



As of the valuation date, China Non-ferrous Engineering had a total of 51 employees. The employee structure of China Non-ferrous Engineering is as follows:

Educational Background	Structure	Master's degree or above	Bachelor's degree	Associate degree	Below associate degree	Total
Structure	Personnel	23	20	3	5	51
Age	Structure	50 years old and above	40-49 years old	30-39 years old	Below 30 years old	Total
Structure	Personnel	12	21	15	3	51
Gender and Nationality Structure	Structure	Male, Chinese Mainland	Female, Chinese Mainland	Male, Non-Chinese Mainland	Female, Non-Chinese Mainland	Total
	Personnel	23	28	0	0	51

5. Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and the Previous three Years

(1) Main business operations

The company's primary business operation is house leasing, along with

minor other businesses including advertising in publications, and journal printing and publishing quotas. The subsidiaries are engaged in engineering design and contracting businesses.

(2) Main operating conditions

As of the valuation date, the total asset book value of China Non-ferrous Engineering on a parent company basis was RMB 5,741.8096 million, the total liability book value was RMB 1,087.9743 million, and the owner's equity book value was RMB 4,653.8352 million. From January to July 2025, the company achieved an operating revenue of RMB 108.8556 million and a net profit of RMB 65.5904 million.

Assets, Liabilities, and Financial Status of China Non-ferrous Engineering on a Parent Company Basis for the Recent Three Years and Current Period

Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	576,625.16	576,065.03	573,336.48	574,180.96
Liabilities	124,137.26	120,074.74	115,647.43	108,797.43
Total Shareholders' Equity	452,487.90	455,990.29	457,689.05	465,383.52
Item	2022	2023	2024	January-July 2025
Operating Revenue	22,535.03	23,309.22	22,399.42	10,885.56
Operating Profit	20,462.74	12,644.26	19,547.90	8,667.30
Net Profit	20,459.92	7,703.02	16,687.56	6,559.04
Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report No.	ZTS Zi (2023) No. 110C003579	ZTS Zi (2024) No. 110C006211	ZTS Zi (2025) No. 110C010098	S Zi [2025] No. [2025]42286
Type of Audit Report	Unqualified opinion	Unqualified opinion	Unqualified opinion	Unqualified opinion

As of the valuation date, the total asset book value of China Non-ferrous Engineering on a consolidated basis was RMB 12,456.6381 million, the total liability book value was RMB 7,685.5988 million, and the owner's equity book

value was RMB 4,771.0393 million, of which the owner's equity attributable to the parent company was RMB 4,238.3410 million. From January to July 2025, the company achieved an operating revenue of RMB 5,226.7147 million and a net profit of RMB112.5428 million, of which the net profit attributable to the owners of the parent company was RMB 128.2641 million.

Assets, Liabilities, and Financial Status of China Non-ferrous Engineering on a Consolidated Basis for the Recent Three Years and Current Period

Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	1,038,933.95	1,101,013.23	1,254,677.35	1,245,663.81
Liabilities	635,404.81	655,298.26	790,328.80	768,559.88
Owners' Interests	403,529.14	445,714.96	464,348.55	477,103.93
Wherein: Total owner's equity attributable to the parent company	357,490.54	390,440.92	409,522.40	423,834.10
Item	2022	2023	2024	January-July 2025
Operating Revenue	694,736.10	623,307.40	871,761.18	522,671.47
Total Profit	35,783.35	53,324.59	42,194.76	14,648.75
Net Profit	31,045.98	46,061.43	33,936.86	11,254.28
Wherein: Net profit attributable to owners of the parent company	15,063.01	36,896.59	34,026.00	12,826.41
Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report No.	ZTS Zi (2024) No. 110C006210	ZTS Zi (2024) No. 110C006210	ZTS Zi (2025) No. 110C010097	S Zi [2025] No. [2025]42286
Type of Audit Report	Unqualified opinion	Unqualified opinion	Unqualified opinion	Unqualified opinion

(III) Other Users of the Asset Valuation Report as Stipulated in the Asset Valuation Engagement Contract

The users of this valuation report are the client and the users of the asset valuation report as stipulated by laws and administrative regulations.

Except as otherwise provided by national laws and regulations, no valuation institution or individual may become a user of the asset valuation report solely by obtaining the valuation report without confirmation from the asset valuation firm and the client.

(IV) Relationship between the Client and the Evaluated Entity

The client is the controlling parent company of the evaluated entity.

II. Valuation Purpose

According to the *Resolution of the Board of Directors of China Minmetals Corporation*, (2025, 12th Meeting), the entire equity interest of China Non-ferrous Engineering Co., Ltd. involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd. is required to be valuated. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the total equity interest of China Non-ferrous Engineering Co., Ltd. involved in the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. Valuation Object and Scope

(I) Valuation Object

The valuation object is the total equity value of the shareholders of China Non-ferrous Engineering Co., Ltd.

(II) Basic Information on Assets and Liabilities Within the Valuation Scope

The valuation scope covers all assets and liabilities of China Non-ferrous Engineering Co., Ltd. as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the company showed total assets with a book value of RMB 5,741.8096

million, total liabilities with a book value of RMB 1,087.9743 million, and net assets with a book value of RMB 4,653.8352 million. The book details of all audited assets and liabilities within the valuation scope are as follows:

Monetary Unit: RMB 10,000

Subject Name	Book Value	Proportion of Total Assets/Total Liabilities
I. Total current assets	16,745.80	2.92%
Monetary Funds	1,952.95	0.34%
Accounts Receivable	65.94	0.01%
Advance payments	154.80	0.03%
Other Receivables	14,176.71	2.47%
Other current assets	395.39	0.07%
II. Total non-current assets	557,435.16	97.08%
Long-term Equity Investments	474,436.97	82.63%
Investments in other equity instruments	7,110.71	1.24%
Investment Properties	29,708.86	5.17%
Fixed Assets	12,138.48	2.11%
Construction in Progress	171.68	0.03%
Right-of-use assets	77.61	0.01%
Intangible Assets	27,437.72	4.78%
Long-term unamortized expenses	360.12	0.06%
Deferred tax assets	5,993.01	1.04%
III. Total assets	574,180.96	100.00%
IV. Total current liabilities	83,474.90	**76.73%**
Accounts payable	1,104.47	1.02%
Advance receipts	20.36	0.02%
Contract liabilities	3.53	0.00325%
Employee benefits payable	567.71	0.52%
Taxes payable	410.95	0.38%
Other payables	79,748.79	73.30%
Non-current liabilities due within one year	1,619.09	1.49%
V. Total non-current liabilities	**25,322.53**	**23.27%**
Long-term borrowings	2,500.00	2.30%
Lease liabilities	59.65	0.05%
Long-term payables	21,263.40	19.54%
Deferred incomes	1,499.48	1.38%
VI. Total Liabilities	**108,797.43**	**100.00%**

Subject Name	Book Value	Proportion of Total Assets/Total Liabilities
VII. Owner's Equity	465,383.52	100%

Details of all assets and liabilities within the valuation scope are provided in the attachment to this report, the *Detailed Asset Valuation Schedule*.

The above entrusted valuation objects and valuation scope are consistent with the valuation targets and valuation scope involved in the economic transaction. Baker Tilly China Certified Public Accountants (Special General Partnership) has audited the assets and liabilities included within the scope of this valuation and issued standard unqualified audit reports. This valuation is conducted based on the company's audited financial statements.

(III) Legal Ownership, Economic Status, and Physical Condition of Major Assets within the Valuation Scope

1. The book value of monetary funds is RMB 19.5295 million, primarily consisting of cash and bank deposits.

2. The book value of accounts receivable is RMB 0.6594 million, representing amounts receivable from product sales and service fees.

3. The book value of advance payments is RMB 1.5480 million, mainly comprising prepaid lease fees and insurance premiums.

4. The net book value of other receivables is RMB 141.7671 million, consisting of interest receivable, dividends receivable, and other receivables (excluding interest receivable and dividends receivable).

5. The book value of other current assets is RMB 3.9539 million, representing input taxes pending deduction.

6. The total book value of long-term equity investments is RMB 4,841.5133 million, with a provision for impairment of long-term equity investments of RMB 97.1435 million, resulting in a net book value of long-term equity investments of RMB 4,744.3697 million.

7. The book value of investments in other equity instruments is RMB 71.1071million. There are a total of 3 entities included in the valuation scope under investments in other equity instruments.

8. There are 8 investment properties within the scope of the valuation, which are properties that the enterprise has leased out or plans to lease out as of the valuation date. The original book value is RMB 472.1077 million, and the net book value is RMB 297.0886 million.

9. The total net book value of fixed assets is RMB 121.3848 million. Fixed assets mainly include buildings and structures; machinery equipment; vehicles; and electronic equipment. The buildings of China Non-ferrous Engineering include the R&D building, administrative office building, middle office building, etc., totaling 8 items. The total gross floor area of the buildings is 25,769.14 square meters. Among these, 5 properties have obtained property ownership certificates, 2 properties have not obtained property ownership certificates (the total area of properties without certificates is 12,453.27 m^2), and 1 building has not updated the area certificate after an addition. The structures consist of outdoor roads and ancillary facilities, totaling 1 item, all in normal maintenance and use condition. The main equipment assets are machinery equipment, electronic equipment, and vehicles. Wherein: There are 24 vehicles in total, primarily for office use and transportation. There are 2,294 items of machinery equipment, mainly including dry-type transformers, elevators, submersible pumps, fresh air handling units, and air curtains. There are 4,069 items of electronic equipment, mainly including air conditioning units, electric water boilers, fan coil units, and other office equipment. The office electronic equipment is distributed throughout the company's office areas and is in normal maintenance and use condition.

10. The book value of construction in progress is RMB 1.7168 million, which relates to equipment installation projects.

11. The book value of right-of-use assets is RMB 0.7761 million, representing leased office space.

12. The book value of intangible assets is RMB 274.3772 million. The intangible assets declared by the enterprise for valuation include: 1 land use right with book records and 63 other intangible assets. For detailed basic information on the intangible assets declared for valuation, please refer to the *Intangible Assets - Land Use Rights Detailed Assessment Schedule* and the *Intangible Assets - Other Intangible Assets Detailed Assessment Schedule*. Other supplementary information is described as follows:

(1) The intangible asset - land use right declared by China Non-ferrous Engineering involves 1 parcel. The specific details are as follows:

Monetary Unit: RMB 10,000

Serial Number	Land Right Certificate No.	Land Location	Land Purpose	Acquisition Date	Development Level	Area (m^2)	Original Recorded Value	Book Value
1	JY (2020) SBDCQ No. 0000671	No. 12, Fuxing Road, Haidian District, Beijing	Office, underground parking, underground office	September 8, 2008	Seven accesses and site leveling	36,084.67	39,353.96	26,993.88
Total						36,084.67	39,353.96	26,993.88

The rights holder recorded on the above certificate is China Non-ferrous Engineering Co., Ltd.

(2) The intangible assets - other intangible assets (office software) declared by China Non-ferrous Engineering total 63 items. There are 1,045 off-book patents, 85 trademarks, and 82 software copyrights. All 1,045 patents are jointly owned with China ENFI Engineering Corporation, or China Silicon Corporation Ltd., or ENFI Xiong'an Technology Development Co., Ltd. 80 of the software copyrights are jointly owned with China ENFI Engineering Corporation. Given the large quantity of the above off-book intangible assets, and their joint ownership with China ENFI Engineering Corporation, and considering that the current main business of China Non-ferrous Engineering

Co., Ltd. is house leasing, and these off-book intangible assets are all used by and generate income for China ENFI Engineering Corporation, they have been incorporated into the valuation of the off-book intangible assets of China ENFI Engineering Corporation. For specific details, please refer to the Asset Valuation Detailed Schedule of China ENFI Engineering Corporation.

13. The book value of long-term prepaid expenses is RMB 3.6012 million, primarily consisting of business tax prepaid on rent.

14. The book value of deferred income is RMB 59.9301 million, mainly comprising deferred income unrelated to government subsidies and research subsidies.

(IV) Types and Quantities of Off-Balance-Sheet Assets Declared by the Enterprise

As of the current valuation date, July 31, 2025, aside from the aforementioned declared intangible assets not recorded in the accounts, China Non-ferrous Engineering has no other off-balance-sheet assets.

(V) Use of Professional Work

The book values of various assets and liabilities as of the valuation date in this report are the results audited by Baker Tilly China Certified Public Accountants (Special General Partnership). Apart from this, this report does not cite content from other institutional reports.

IV. Base of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value. Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

V. Valuation Date

The valuation date for this project is July 31, 2025. This valuation date was determined by the client.

The reasons for selecting this valuation date are:

(I) Valuation date meets the requirements of the relevant economic activity and facilitates the achievement of the valuation purpose.

(II) This valuation date coincides with the accounting month-end statement of the evaluated entity and the balance sheet date in the audit report, which allows the valuation institution to fully utilize the enterprise's existing financial data, aiding the completion of the valuation.

VI. Valuation Bases

The valuation bases followed in this asset valuation primarily include the economic behavior basis, law and regulation bases, valuation standards, asset ownership bases, as well as pricing bases and other reference materials adopted in the valuation and estimation process. Details are as follows:

(I) Economic Behavior Basis

Resolution of the Board of Directors of China Minmetals Corporation, (2025, 12th Meeting).

(II) Law and Regulation Bases

1. Assets Appraisal Law of the People's Republic of China (promulgated by Decree No. 46 of the President of the People's Republic of China , effective from December 1, 2016);

2. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);

3. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);

4. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);

5. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);

6. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);

7. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 732 of the State Council of the People's Republic of China, amended on November 29, 2020);

8. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (Document GZF [1992] No. 36 issued by the former State Administration of State-owned Assets);

9. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);

10. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);

11. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);

12. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* ([Decree No. 12] of the State-owned Assets Supervision and Administration Commission of the State Council, issued on August 25, 2005);

13. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);

14. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);

15. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);

16. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);

17. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);

18. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by

Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);

19. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS 2016 No. 36);

20. *Notice on Adjusting Value-added Tax Rates* (CS [2018] No. 32);

21. *Announcement on Policies Related to Deepening VAT Reform* (Announcement [2019] No. 39 of the Ministry of Finance, State Taxation Administration, and General Administration of Customs);

22. *Urban Real Estate Administration Law of the People's Republic of China* (approved on July 5, 1994, by the 8th Session of the Standing Committee of the 8th National People's Congress; approved on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People's Congress);

23. *Land Administration Law of the People's Republic of China* (approved on June 25, 1986, by the 16th Session of the Standing Committee of the 6th National People's Congress; amended on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People's Congress);

24. Regulation on the Implementation of the Land Administration Law of the People's Republic of China (approved at the 132th executive meeting of the State Council on April 21, 2021)

25. Regulations for Gradation and Classification on Urban Land (GB/T18507-2014);

26. *Interim Regulations of the People's Republic of China Concerning the Assignment and Transfer of the Right to the Use of the State-owned Land in the Urban Areas* (released and implemented on May 19, 1990 as per Decree No. 55 of the State Council;

27. Notice of the Ministry of Land and Resources Document "GTZF [2006] No. 307" on Issuing and Implementing the *Minimum Price Standard for the Transfer of National Industrial Land*;

28. *Patent Law of the People's Republic of China* (approved on December 27, 2008, by the 6th Session of the Standing Committee of the 11th National People's Congress);

29. *Rules for the Implementation of the Patent Law of the People's Republic of China* (Decree No. 569 of the State Council of the People's Republic of China, approved at the 95th Executive Meeting of the State Council on December 30, 2009);

30. *Copyright Law of the People's Republic of China* (adopted at the 13th Session of the Standing Committee of the 11th National People's Congress on February 26, 2010);

31. *Regulations on Computer Software Protection* (Decree No. 632 of the State Council of the People's Republic of China, issued on January 30, 2013);

32. Accounting Standards for Business Enterprises and other related accounting systems;

33. Other relevant laws, regulations, notices, and documents.

(III) Basis of Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);

2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);

3. *Practice Standards for Assets Valuation - Asset Valuation Procedures* (ZPX [2018] No. 36);

4. *Practice Standards for Assets Valuation - Asset Valuation Report* (ZPX [2018] No. 35);

5. *Practice Standards for Assets Valuation -Asset Valuation Engagement Contract* (ZPX [2017] No. 33);

6. *Practice Standards for Assets Valuation - Assets Valuation File* (ZPX [2018] No. 37);

7. *Practice Standards for Assets Valuation - Valuation Method* (ZPX [2019] No. 35);

8. *Practice Standards for Assets Valuation - Enterprise Value* (ZPX [2018] No. 38);

9. *Practice Standards for Assets Valuation - Intangible Assets* (ZPX [2017] No. 37);

10. Practice Standards for Assets Valuation - Property (ZPX [2017] No. 38);

11. *Practice Standards for Assets Valuation - Machinery and Equipment* (ZPX [2017] No. 39);

12. *Guidelines for the Asset Valuation of Intellectual Property* (ZPX [2017] No. 44);

13. Guidelines for Asset Valuation Reports on State-Owned Enterprises (ZPX [2017] No. 42);

14. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);

15. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);

16. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);

17. *Guidance on Patent Asset Valuation* (ZPX [2017] No. 49);

18. *Guidance on Copyright Asset Valuation* (ZPX [2017] No. 50);

19. *Guidance on Trademark Asset Valuation* (ZPX [2017] No. 51).

(IV) Basis of Asset Ownership

1. Business License for Enterprise Legal Person;

2. Construction land planning permit, construction engineering planning permit, construction permit;

3. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);

4. Major asset purchase contracts or vouchers;

5. Motor vehicle registration certificate;

6. Patent certificates, software copyright certificates, trademark certificates, etc.;

7. State-owned land use certificate;

8. Real property ownership certificate;

9. Safety production license;

10. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;

2. Financial statements and detailed financial ledgers of the valuation date and the previous 3 years;

3. Materials related to financial management, production and operation, and market sales provided by the enterprise;

4. Enterprise revenue, cost, expense analysis, and forecasting materials;

5. The enterprise's fixed asset depreciation method;

6. Enterprise development plans, investment projects, and data on required funds for future years;

7. The enterprise's financial accounting system;

8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;

9. Selected contracts and agreements provided by the enterprise;

10. Data analyzing the enterprise's industry position and market competition;

11. Current national and local tax policies and regulations;

12. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;

13. Relevant data on A-share listed companies provided by the iFinD software;

14. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;

15. Provisions on Compulsory Retirement Standards for Motor Vehicles (Decree No. 12 of jointly issued by the Ministry of Commerce, National Development and Reform Commission, Ministry of Public Security, and Ministry of Environmental Protection);

16. Recent issues of the *UDC United Market Information* and the *Automobile Business Information* near the valuation date;

17. Relevant financial data and engineering materials provided by the enterprise;

18. Notice on the *Financial Rules for Capital Construction* (Promulgated by the Decree No. 81 of the Ministry of Finance and implemented from September 1, 2016);

19. Current cost norms for building construction, installation engineering, decoration engineering, municipal engineering, and other related norms in the region where the buildings are located;

20. *Standards for Building Damage Level Assessment*, *Reference Basis for Assessing the Newness or Oldness of a House*, and *Grading Criteria and Adjustment Factors for Building Newness Rates* issued by the former Ministry of Urban and Rural Environmental Construction and Protection;

21. Local *Construction Engineering Cost Information*;

22. Relevant cost indexes and similar engineering cost indicators;

23. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;

24. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;

2. Audit report as of the valuation date;

3. Real estate ownership certificate and property ownership certificate;

4. *Manual of Common Data and Parameters for Asset Valuation*;

5. Important contracts for surveys, design, engineering, and other business provided by the enterprise;

6. Market research data collected by the asset valuation professionals;

7. Relevant materials from on-site inspections and inquiries/confirmations conducted by the asset valuation professionals;

8. *Terminology of Asset Valuation Standards 2020* (ZPX [2020] No. 31);

9. Guidelines for Asset Valuation Expert No. 8 - Verification and Validation during Asset Valuation (ZPX [2019] No. 39);

10. *Applicable Regulatory Guidelines - Valuation Category No. 1* from the China Securities Regulatory Commission;

11. *Guidelines for Asset Valuation Expert No. 12 - Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);

12. Relevant materials provided by the enterprise's related departments and personnel;

13. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. Valuation Method

(I) Selection of Valuation Method

According to the valuation purpose of this project, the valuation scope involves all assets and liabilities of the enterprise. According to the *General Standards for Asset Valuation*, *Practice Standards for Assets Valuation - Enterprise Value*, and other relevant asset valuation standards, the basic asset valuation methods include the market approach, income approach, and cost approach (asset-based approach).

The Market Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by comparing it with comparable listed companies or comparable transaction cases. The two commonly used specific methods under the Market Approach are the Guideline Public Company Method and the Guideline Transaction Method. Given the current development status of China's property rights market, the specific circumstances of the appraised enterprise, and limitations in market information conditions, it is difficult to find comparable reference entities and transactions in the market similar to the appraised enterprise this time. Therefore, the Market Approach was not adopted for this valuation.

The income approach in enterprise value valuation refers to a Valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation assumes the continuance of the valuation object as a going concern. The enterprise can provide complete historical operational and financial data. Management has

conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future earnings and operational risks can be quantified, meeting the basic conditions for applying the income approach.

The Asset-Based Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by evaluating the value of all on-balance-sheet and identifiable off-balance-sheet assets and liabilities of the Evaluated Entity as of the valuation date. Given that for this project, comprehensive information was collected for all assets and liabilities within the entrusted valuation scope, the Asset-Based Approach was deemed appropriate and therefore adopted for this valuation.

Considering factors such as the valuation object, bases of value, and data collection status, the income approach and asset-based approach was adopted for this valuation.

(II) Method for Determining the Valuation Conclusion

Based on the respective outcomes calculated using the two valuation methods, a comprehensive analysis was conducted regarding the completeness of the data used, the reliability of the data, and the reasonableness of the calculated results in the specific application of each method. The result from one of these methods was selected as the final valuation conclusion for this report.

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach

(I) Valuation of Current Assets

1. Monetary Funds

Monetary funds include cash and bank deposits.

For the valuation of cash, the asset valuation professionals conducted a physical count of the evaluated entity's cash on hand as of the valuation date. For foreign currency cash, the valuation value was determined by converting the verified foreign currency amount using the central exchange rate for that foreign currency published by the People's Bank of China on the valuation date. For RMB cash, the valuation value was determined as the verified book value.

For the valuation of bank deposits, the valuers verified the book value of bank deposits against bank statements and reconciliation statements, and checked the responses to bank confirmation letters from the audit firm. Upon verification, all deposit accounts were reconciled, and no matters affecting net assets were found. RMB deposits were valuated at the verified book value.

2. Accounts Receivable

For the valuation of accounts receivable, the asset valuation professionals reviewed accounting records and reports. Based on verifying the business content and performing an aging analysis, they understood the occurrence time, reasons for the arrears, the entity's collection efforts, and the debtor's financial status, creditworthiness, and management condition. After specific analysis, they judged the likelihood of collecting each receivable. The asset valuation professionals reviewed the relevant accounting records and original vouchers and found no evidence of bad debts caused by debtor bankruptcy, closure, death, disappearance, or other force majeure events. However, it cannot be guaranteed that bad debt losses will not occur in the future. Furthermore, considering that these receivables cannot be collected in a lump sum on the valuation date, and the specific timing of collection is uncertain, the time value of money must also be considered. Therefore, the asset valuation needs to account for the risk of loss. The valuers considered that the amount of bad debt provision made in the current accounts was essentially equivalent to the

amount of risk loss estimated in the valuation. The valuation value of accounts receivable was confirmed at the book value.

3. Advance payments

For the valuation of advance payments, the asset valuation professionals reviewed and collected procurement contracts or technical service agreements. They examined services received between the valuation date and the date of the on-site valuation work. Most advance payments were incurred recently, and no bad debts resulting from debtor bankruptcy, closure, death, disappearance, or other force majeure events were found. For amounts where corresponding assets can be recovered or corresponding rights obtained, the valuation value was determined at the book value.

4. Other receivables

Other accounts receivable include interest receivable, dividends receivable, and other receivables (excluding interest receivable and dividends receivable).

(1) Interest receivable

The valuers reviewed the detailed ledger and relevant original vouchers and obtained the Loan Contract. Upon verification, the interest receivable was genuine and the calculated amount was accurate. The valuation value was determined at the book value.

(2) Dividends receivable

The valuers reviewed the relevant dividend distribution proposals. Upon verification, the dividends receivable were calculated accurately. The valuation value was determined at the book value.

(3) Other receivables (excluding interest receivable and dividends receivable)

The asset valuation professionals performed selective checks of relevant accounting vouchers and attachments for verification and compared them with

the auditors' confirmation replies. The accounts were verified to be consistent with the actual situation. For the provision for bad debts, the valuers understood the timing of the receivables' occurrence, the reasons for the arrears, the entity's collection efforts, and the debtors' financial status, creditworthiness, and operational management. After specific analysis, the likelihood of collection for each receivable was judged. Through verification with the evaluated entity, it was determined that the recovery of the provision for bad debts related to other receivables is unlikely. Therefore, with reference to the specific provision for bad debts made, a valuation risk loss was recognized for the valuation. The valuation value was determined as the total amount of receivables minus the valuation risk loss.

5. Other current assets

The asset valuation professionals investigated the reason for lease expense against relevant personnel of the evaluated entity, checked the detailed ledger and general ledger, compared with report balances, and performed random checks on relevant certification vouchers. The valuation value is determined based on the verified book value.

(II) Long-term Equity Investments

For the valuation, invested entities within the scope of the financial statement consolidation were assessed on a whole-entity basis to determine their owner's equity value as of the valuation date. For invested entities not within the scope of the financial statement consolidation, their owner's equity value as of the valuation date was determined based on the net asset value from their financial statements as of the valuation date.

For subsidiaries where the shareholder's paid-in capital ratio equals the subscribed capital ratio and there are no shares with different rights, the calculation formula for the long-term equity investment is:

Valuation value of long-term equity investment = appraised owner's equity value of the invested entity × shareholding ratio

For subsidiaries where the shareholder's paid-in capital ratio does not equal the subscribed capital ratio and there are no shares with different rights, the calculation formula for the long-term equity investment is:

Valuation value of long-term equity investment = (appraised owner's equity value of the invested entity + total unpaid capital contributions payable by all shareholders) × shareholding ratio - unpaid capital contribution payable by the evaluated entity described in this section.

An explanation regarding the company's shareholding ratio in each subsidiary, whether the paid-in capital ratio equals the subscribed capital ratio, whether a whole-entity valuation was conducted, the valuation method adopted, and whether a separate asset valuation explanation was issued is as follows:

S/N	Name of the Investee	Shareholding ratio (%)	Paid-in ratio equals subscribed ratio	Overall Evaluation	Valuation method adopted	Separate asset valuation explanation issued
1	China ENFI Engineering Corporation (Headquarters)	90.00%	Yes	Yes	Asset-Based Approach and Income Approach	Yes
2	Beijing ENFI Property Management Co., Ltd.	100.00%	Yes	Yes	Asset-Based Approach and Income Approach	Yes
3	China Silicon Corporation Ltd. (Headquarters)	6.17%	Yes	Yes	Asset-Based Approach and Income Approach	Yes
4	Ejin Banner ENFI New Energy Co., Ltd.	61.00%	Yes	Yes	Asset-Based Approach and Income Approach	Yes
5	ENFI Municipal Solid Waste (Xiaogan) Co., Ltd.	100.00%	Yes	Yes	Asset-Based Approach and Income Approach	Yes
6	MCC Eco-Environmental Protection Group Co., Ltd.	24.49%	No	No	Statement conversion	No
7	Jiangxi Golden Century Advanced Materials Co., Ltd.	2.19%	Yes	No	Statement conversion	No
8	China Nonferrous Metals Processing Technology Co., Ld.	1.73%	Yes	No	Statement conversion	No
9	Lanzhou Jinchuan Advanced Materials Technology Co., Ltd.	0.23%	Yes	No	Statement conversion	No

Reasons for the selection of valuation methods for subsidiaries are as follows:

Asset-based approach: This method reflects the asset value from the perspective of asset replacement, i.e., by deducting various forms of

depreciation or obsolescence from the asset's replacement cost to determine its value. Detailed information on the assets and liabilities of the evaluated enterprise as of the valuation date was available, so the asset-based approach was adopted.

Income approach: This refers to various valuation methods of capitalizing or discounting the expected income of the valuation object to determine its value. Since the future income of the subsidiaries can be reasonably predicted, and the conditions to apply the income approach are met, the income approach was used for the valuation. Since the future income of the subsidiaries cannot be reasonably predicted, and the conditions to apply the income approach are not met, the income approach was not used for the valuation. For subsidiaries falling within the scope of the parent company's consolidated free cash flow projection under the income approach, the income approach is included within the parent company's consolidation scope and is not applied separately to these subsidiaries.

Market approach: Currently, there are few comparable publicly listed companies in China that are similar or closely related to the target enterprise, and there are no significant equity transaction cases for companies with similar business activities. Therefore, the market approach was not adopted for the subsidiaries.

Statement conversion method: For subsidiaries with minor shareholdings where a full valuation cannot be conducted, their financial statements as of the valuation date are obtained, and the valuation value is confirmed as net assets × shareholding ratio. For cases where the paid-in capital does not match the capital liable to be paid, the value of the partial equity value = (the valuation value of shareholders' total equity + total unpaid capital contributions liable to be paid by all shareholders) × equity percentage of the shares - unpaid capital contribution liable to be paid for that partial equity interest.

(III) Investments in other equity instruments

The asset valuation professionals carefully verified the detailed valuation schedule of investments in other equity instruments provided by the enterprise, confirming the accuracy of the data declared in the schedule; collected materials such as investment agreements, the company's articles of association, and financial statements; and analyzed the nature of the investments based on the collected information to determine the valuation approach. As the shareholding ratio is relatively small, for those investee entities whose financial statement data could be obtained, the valuation value of the investments in other equity instruments was calculated by multiplying the owner's equity value listed in the provided financial statements as of the valuation date by the investing entity's shareholding ratio. For listed company stocks held, the valuation value was determined by multiplying the closing price on the valuation date by the number of shares held.

(IV) Valuation of Investment Properties

For the valuation, the market approach or the income approach was used to valuate the investment properties.

The market approach involves comparing the property to be appraised with similar real estate transaction instances that occurred in the recent past, considering transaction conditions, the timing of price formation, locational characteristics (external conditions of the property), and physical characteristics (the property's own conditions). Based on the prices of similar real estate, necessary adjustments are made to arrive at the most probable reasonable price for the property being appraised.

The market approach was applied following these basic steps:

(1) Collect relevant information on transaction instances;

(2) Select effective comparable market transaction instances;

(3) Establish a comparable basis for price;

(4) Perform transaction circumstance adjustments;

(5) Perform transaction date adjustments;

(6) Perform locational characteristic adjustments;

(7) Perform physical characteristic adjustments;

(8) Perform adjustments for rights and interests;

(9) Derive the adjusted comparable price and determine the valuation value of the building (or real estate) being appraised.

The basic formula for the market approach is:

Valuation value = comparable transaction case value × A × B × C × D × E

Wherein: A - Transaction date adjustment factor;

B - Transaction circumstances adjustment factor;

C - Locational characteristic adjustment coefficient;

D - Physical characteristic adjustment coefficient;

E - Equity adjustment coefficient

The Income Approach refers collectively to various valuation methods that determine the value of a valuation object by calculating the present value of the future expected benefits it can generate. It follows the fundamental valuation principle in asset valuation of "deriving the capital value from earnings", that is, using the route and methods of capitalizing or discounting income to judge and estimate the value of the valuation object. Given that the valuation object in this valuation is an income-generating assets with independent earning capacity, they meet the basic conditions for applying the Income Approach. Therefore, the Income Approach can be adopted for this valuation, with the calculation formula:

Income approach calculation formula: $$P=\sum_{i=1}^{n}\frac{R_i}{(1+r)^i}+B$$

Wherein: Ri - Annual Net Rental Income

r - Discount Rate

n - Remaining number of years over which the property can generate income from the valuation date

B - Property or land value at the end of the income period

P - valuation value of the property

(V) Valuation of Buildings and Structures

As the valuation scope for buildings and structures is the same as that for the buildings involved in the investment properties, the valuation methods for buildings and structures are identical to those used for the investment properties. For the valuation, the market approach or the income approach was used to valuate the buildings and structures. For specific valuation methods, please refer to "(IV) Valuation of Investment Properties."

For the valuation, the structures were appraised using the cost approach, based on their purpose, structural characteristics, and nature of use.

The valuation of major structures involved calculating the construction and installation cost using the budget settlement adjustment method. The full replacement cost of the structures was calculated using local current quota standards, construction fees, and loan interest rates. The newness rate was determined comprehensively based on the service life of the structures and the condition observed during the on-site inspection, leading to the calculation of the net valuation value of the structures.

Valuation value of structure = full replacement cost × newness rate

1. Full replacement cost

The full replacement cost consists of construction and installation cost, preliminary and other expenses, cost of capital, and deductible VAT.

Full replacement cost = construction and installation cost + preliminary and other expenses + cost of capital - deductible VAT.

(1) Determination of construction and installation cost

Construction and installation cost: For key projects with available preliminary budget, budget, or settlement data, the budget settlement adjustment method was used. This means the asset valuation professionals calculated the construction and installation cost of the project based on the quantities from the budget/settlement, applicable quotas, and price data as of the valuation date.

For general construction projects, the asset valuation professionals referenced construction and installation costs of similar building types. The construction and installation cost for the subject building was derived by adjusting for differences in factors such as storey height, column spacing, span, fit-out standards, and water/electricity facilities that affect the project cost.

(2) Determination of preliminary and other expenses

Preliminary engineering and other expenses include: construction fees levied by local government regulations, and other expenses incurred by the construction unit for the project beyond the construction cost. These include owner management fees, survey and design fees, construction project supervision fees, tender agency service fees, preliminary consulting fees, and environmental impact consulting fees. With reference to relevant documents from government departments and professional associations, the preliminary and other expenses paid by the construction unit were calculated respectively.

(3) Determination of costs of capital

Cost of capital refers to the interest or opportunity cost of the funds used during the construction of the structure. It was calculated based on a reasonable construction period, using the corresponding tenor LPR from the month immediately preceding the valuation date as the loan interest rate.

Cost of capital = (construction and installation cost + preliminary and other expenses) × reasonable construction period × loan interest rate × 50%

(4) Deductible value-added tax

Deductible value-added tax = construction and installation cost / 1.09 × 9% + (preliminary and other expenses - owner management fees) / 1.06 × 6%

2. Newness rate

For determining the newness rate of the structures in the valuation, two methods were used: the theoretical newness rate and the on-site inspection newness rate. The results from these two methods were weighted averaged in a 4:6 ratio (theoretical : inspection) to calculate the final newness rate. Including:

Theoretical newness rate N1: Calculated based on the remaining usable life and the used life of the structure.

Theoretical newness rate N1 = remaining usable life / (remaining usable life + years in service) × 100%

On-site inspection newness rate N2: On-site inspection newness rate is determined by the asset valuation professionals based on the field inspection of each building (structure), considering its usage condition and maintenance status.

After calculating using the above two methods, the newness rate was determined by weighted average.

Newness rate N = (theoretical newness rate N1 × 40%) + (on-site inspection newness rate N2 × 60%)

3. Determination of valuation value

Valuation value = Full replacement cost × comprehensive newness rate

(VI) Valuation of Equipment Assets

This valuation mainly adopts the replacement cost method and the market approach based on the characteristics of the entrusted equipment and the collection of data.

Replacement Cost Method:

1. Determination of the Full Replacement Cost

(1) Full replacement cost of machinery and equipment

The full replacement cost including tax for machinery and equipment is composed of the purchase price (including tax), transportation and miscellaneous expenses, installation and commissioning costs, equipment foundation costs, other project construction costs, and cost of capital. Based on the calculated full replacement cost including tax, the deductible VAT is subtracted to arrive at the full replacement cost excluding value-added tax.

Full replacement cost excluding tax = purchase price (including tax) + transportation and miscellaneous expenses + installation and commissioning costs + equipment foundation costs + other project construction costs + cost of capital - deductible VAT input tax

For small, sporadically purchased equipment that does not require installation, the full replacement cost = purchase price + transportation and miscellaneous expenses. For some equipment where transportation and miscellaneous expenses are included in the purchase price, the purchase price including tax is directly used as the replacement value.

① Equipment purchase price

The current market price of the equipment is determined through market inquiry: by inquiring directly with dealers or manufacturers, or by referencing price data from mechanical & electrical equipment quotation systems, publicly available price information on computer networks, etc., to determine the current market price of the equipment. For some old equipment or equipment for which the current market price cannot be found, if replacement equipment has appeared, the current market price is reasonably determined based on the principle of valuation substitution after analyzing and comparing the technological content and functional differences. If no replacement equipment has appeared, the current market price is determined by multiplying the most recent transaction price by a price adjustment coefficient.

② Transportation and miscellaneous expenses

Equipment transportation and miscellaneous expenses refer to the transportation costs from the place of origin to the equipment installation site. The transportation and miscellaneous expense rate is based on the equipment purchase price and is calculated according to different rates depending on the distance between the manufacturer and the equipment installation location. If the supply agreement stipulates that the supplier is responsible for transportation and installation, then transportation and miscellaneous expenses are not assessed.

③ Equipment foundation costs

The asset valuation professionals determine these costs by referring to the fee standards stipulated by different industries for production equipment of different specialized natures, or by investigating and understanding the actual equipment foundation cost levels of the enterprise. For equipment that does not require a foundation, equipment foundation costs are not considered.

④ Installation and commissioning cost

Based on the equipment's characteristics, weight, and installation complexity, these fees are calculated based on the equipment purchase price using different installation rates, or are determined by investigating and understanding the actual equipment installation and commissioning cost levels of the enterprise. For equipment that does not incur installation and commissioning costs, these fees are not considered.

⑤Preliminary engineering and other expenses Preliminary engineering and other expenses primarily include items such as owner management fees, construction project supervision fees, survey and design fees, project tender agency fees, and environmental impact consulting fees. These are determined with reference to relevant national, local, and industry fee regulations. This item is not calculated for imported equipment.

⑥ Cost of capital: The base for calculating cost of capital is the sum of the equipment purchase price, transportation and miscellaneous expenses, foundation costs, installation and commissioning costs, and other project construction costs. It is calculated based on a reasonable construction period, using the LPR effective on the valuation date as the loan interest rate.

Cost of capital = (equipment purchase price + transportation and miscellaneous expenses + installation and commissioning costs + foundation costs + other expenses) × loan interest rate × construction period × 1/2

For sporadically purchased, non-process equipment that does not require installation, equipment foundation costs, other project construction costs, and cost of capital are not considered.

⑦ Deductible VAT

Deductible VAT = equipment purchase price (including tax) / 1.13 × 13% + transportation and miscellaneous expenses / 1.09 × 9% + foundation costs / 1.09 × 9% + installation fees / 1.09 × 9% + (other project construction costs - owner management fees) / 1.06 × 6%

(2) Vehicles

The full replacement cost of vehicles consists of the vehicle purchase price, vehicle purchase tax, license plate fees, and other costs, minus VAT.

Full replacement cost of vehicle = purchase price + vehicle purchase tax + license plate fees - VAT.

① Vehicle purchase price including tax

The current market price for the same model or series is determined through market inquiries or by consulting dealers. After analyzing functional differences and price trends, and considering potential downward price adjustments, the current market price of the vehicle is determined.

② Vehicle purchase tax

The vehicle purchase tax rate is 10% of the vehicle purchase price excluding tax.

③ License plate fees

Typically, license plate fees include vehicle inspection fees, handling charges, and license plate production fees. The total of these fees locally is approximately RMB 300.00.

(3) Full replacement cost of electronic equipment

The full replacement cost of electronic equipment refers to the purchase price excluding taxes of the equipment.

The full replacement cost of the electronic equipment as of the valuation date was determined based on local market information and recent market price data such as the *Electronic Product Price Market Information*. Typically, manufacturers provide free transportation and installation.

Full replacement cost = Purchase price (excluding tax)

Some machinery, equipment, vehicles, and electronic equipment are valued directly using their market prices.

2. Determination of the Newness Rate

(1) Newness rate for machinery and equipment

Based on factors such as the original manufacturing quality, years in service, frequency and intensity of use, and routine maintenance, and referencing the economic service life of similar equipment, the remaining usable life is judged according to the actual technical condition observed during the on-site inspection, and the newness rate is then determined. The calculation formula is as follows:

Newness rate = (1 - years in service / economic service life) × 100%

Or

Newness rate = remaining usable life / (actual years in service + remaining usable life) × 100%

For equipment whose valuation value was determined directly based on its second-hand market price, the Newness Rate was not calculated separately.

(2) Determination of the Newness Rate for Electronic Equipment and General Equipment

The Age-Life Method was used to determine the newness rate for electronic equipment and general equipment.

Newness rate = (1 - years in service / economic service life) × 100%

or Newness rate = (Remaining usable life / (years in service + remaining usable life)) × 100%

For equipment whose valuation value was determined directly based on its second-hand market price, the Newness Rate was not calculated separately.

(3) Vehicle newness rate

For transport vehicles, the newness rate is determined according to the *Provisions on Compulsory Retirement Standards for Motor Vehicles* (Decree No. 12 [2012] of the Ministry of Commerce, National Development and Reform Commission, Ministry of Public Security, and Ministry of Environmental Protection), using the following method:

Service Life Newness Rate = (1 - 2 / Economic Service Life) × Years in Service × 100%

Mileage-based newness rate = (stipulated mileage - accumulated mileage) / stipulated mileage × 100%

The theoretical newness rate is determined as the lower of the service life newness rate and the mileage-based newness rate.

Theoretical newness rate = Min (service life newness rate, mileage-based newness rate)

Simultaneously, necessary inspection and identification were performed on the various components of the vehicle subject to valuation. If the results of the inspection and identification differed significantly from the newness rate

determined by the above method, appropriate adjustments were made to determine the final newness rate. If the results are fairly consistent, no adjustments are made.

3. Determination of valuation value

Valuation value = Full replacement cost × comprehensive newness rate

Market approach:

For vehicles that have been in use for an extended period, for which a market price for a new vehicle of the same type cannot be ascertained, and for which an active second-hand transaction market exists, the Market Approach was used for valuation.

Comparable vehicle transaction cases were selected from the recent second-hand vehicle market that fall within the same supply and demand scope as the valuation object and possess strong correlation and substitutability. Based on the condition of the valuation object and the comparable transaction cases, factors influencing the second-hand market price, such as remaining usable life, remaining mileage, transaction date, and transaction vehicle condition, were analyzed, compared, and adjusted to valuate the market price of the valuation object. The calculation formula is as follows:

Comparable Price = Transaction Price × Quality and Technical Condition Adjustment Coefficient × Mileage Adjustment Coefficient × Transaction Date Adjustment Coefficient × Transaction Situation Adjustment Coefficient × Service Life Adjustment Coefficient

Comparable Price = (Case A+Case B+Case C) ÷3

Vehicle Valuation Value (Market Approach) = Comparable Price

(VII) Valuation of Construction in Progress

The valuation methods for construction in progress within the valuation scope are determined based on the type of each project asset.

For construction in progress - equipment installation projects in the valuation, the asset valuation professionals verified the relevant detailed ledgers, accounting vouchers, and equipment purchase contracts on-site, inspected the physical status of the equipment installation projects under construction, and conducted interviews with relevant personnel such as project engineers. For projects under construction that commenced within six months prior to the valuation date, the valuation value is determined as the verified book value based on the declared amount of the construction in progress. For projects under construction that commenced more than six months prior to the valuation date and are under normal construction, and where the price fluctuations for equipment, materials, and labor involved in the investment during this period are not significant, the valuation value is determined as the book value plus an appropriate cost of capital.

(VIII) Valuation of Right-of-Use Assets

A right-of-use asset represents the enterprise's right to use the leased asset for the remaining lease term. The asset valuation professionals reviewed relevant contracts, agreements, accounting ledgers, and vouchers, and verified performance status and depreciation accounting. Upon verification, the original recorded amount was true and accurate, the depreciation period was reasonable and compliant, depreciation was timely and accurate, and the right to use the leased asset remains for the remaining lease term. The valuation value is determined based on the right to use the leased asset enjoyed over the remaining lease term.

(IX) Valuation of Intangible Assets

1. Purchased software and system-type intangible assets: The asset valuation professionals determined the valuation value by inquiring about the current market prices of identical software. For software that has not been

upgraded, the valuation value was determined based on the price of the upgraded software, minus the upgrade cost.

2. Trademark rights and technology-based assets such as patents: As the primary business of the evaluated entity is the leasing of investment properties, and it has no other business related to trademark and technology-based intangible assets, the trademark and technology-based intangible assets are currently used by its controlling subsidiary, China ENFI Engineering Corporation, and generate revenue. Therefore, these technology-based intangible assets have been incorporated into the valuation of other intangible assets of China ENFI Engineering Corporation. They are not reassessed here.

(X) Valuation of Long-Term Deferred Expenses

Long-term deferred expenses mainly consist of the business tax prepaid on rent. Upon verification, the original amounts incurred were authentic and accurate, with reasonable and compliant amortization periods, and the amortization was timely and accurate. For those expenses that still confer corresponding rights or assets in future periods, and where the value remains consistent with their book value, the valuation value was determined based on their book value.

(XI) Valuation of Deferred Tax Assets

Deferred tax assets primarily arise from deductible temporary differences formed by loss provisions made by the enterprise according to accounting standards but allowed as deductions per tax laws. For the valuation, the reasonableness and accuracy of the bad debt provision calculated by the enterprise were investigated and verified based on the book value. The valuation value was confirmed at the book value.

(XII) Valuation of Liabilities

The liabilities declared by the enterprise include current liabilities and non-current liabilities. Current liabilities comprise accounts payable, advance

receipts, contract liabilities, employee benefits payable, taxes payable, other payables, and non-current liabilities due within one year; non-current liabilities comprise long-term borrowings, lease liabilities, long-term payables and deferred income. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. Application of specific valuation methods in the income approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent. Based on the industry, business model, capital structure, and development trends of the Evaluated Entity, the Free Cash Flow to the Firm discount model under the Discounted Cash Flow Method was selected for the Income Approach in this valuation. This model involves discounting the Free Cash Flow to the Firm over the future income period using an appropriate discount rate and summing the results to calculate the value of the operating assets. The value of surplus assets, non-operating assets, and liabilities is then added, and the value of interest-bearing debt is subtracted to ultimately obtain the shareholders' total equity value.

Shareholders' Total Equity Value = Total Enterprise Value - Interest-Bearing Debt Value

Total Enterprise Value = Value of Operating Assets + Value of Surplus Assets + Value of Non-Operating Assets and Liabilities

(I) Value of Operating Assets

The value of business assets is the present value of the free cash flow to the firm during the detailed forecast period.

(II) Income Basis - Free Cash Flow to the Firm

The type of income used in the valuation is free cash flow to the firm. Free Cash Flow to the Firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

(III) Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm (R). There are several sources of funds for enterprises, including equity contributions, bonds, bank loans, lease, and retained earnings. Both creditors and shareholders invest funds in a specific enterprise, expecting their investments to be compensated for the opportunity cost of capital. The Weighted Average Cost of Capital refers to the cost of capital calculated by weighting the individual cost of each source of financing according to its proportion in the total capital. In other words, it is the average cost of capital obtained by taking the specific cost of each financing source and applying its relative share in the overall capital structure as the weighting factor. The calculation formula for the WACC is:

$$WACC = \left(\frac{1}{1+D/E}\right)\times \mathrm{Re} + \left(\frac{1}{1+E/D}\right)\times(1-T)\times Rd$$

Wherein: E: Target equity value of the valuation object;

D: Target debt value of the valuation object;

Re: Expected rate of return on equity;

Rd: Expected rate of return on debt;

T: The applicable enterprise income tax rate.

The cost of equity capital (Re) was determined using the Capital Asset Pricing Model (CAPM):

$$R_e = R_f + \beta(R_m - R_f) + \alpha$$

Wherein: Rf -- Risk-free interest rate;

β -- Equity systematic risk adjustment coefficient;

Rm- Rf -- Market risk premium;

α: Company-specific risk adjustment factor.

(IV) Income Period

The enterprise's main business is real estate leasing, and the income period depends on the economic life of the primary assets. The properties subject to valuation were constructed between 1980 and 2017, with the main structures being steel-concrete and mixed. A significant portion of the properties has been in use for a relatively short period. The land use right expires on September 7, 2058. The properties are well-maintained and can be normally used until the land use right expiration date. The income period is determined based on the land use right expiration date, with the forecast period from August 1, 2025 to September 7, 2058. The company's other businesses, such as advertising, periodical printing, and publication quotas, are small in scale and relatively costly, and do not generate satisfactory economic returns. Therefore, it is not advisable to operate these businesses independently on a continuous basis. Accordingly, the income period is determined based on the company's principal business of real estate leasing.

(V) Valuation Calculation Formula for the Income Approach

The calculation formula for the Income Approach used in this valuation is as follows:

$$P = \sum_{i=1}^{n} \frac{A_i}{(1+R)^i} + OE - D + \frac{F}{(1+R)^n}$$

Wherein: P -- Total equity valuation value of the enterprise's shareholders;

Ai -- Free cash flow to the firm in year i;

R -- Discount rate;

n -- Operating life of the enterprise;

OE -- Net value of redundant assets and non-operating liabilities of the enterprise as of the valuation date;

D -- Interest-bearing liabilities of the enterprise;

F -- Terminal value of recovered assets.

X. Implementation Process and Situation of the Valuation Procedures

The asset valuation professionals performed the online valuation work for the assets and liabilities involved in the valuation object. The implementation process of the valuation procedures is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

Our company's business responsible person held discussions with the Client's representative to clarify important matters including: the Client, the Evaluated Entity, and other users of the asset valuation report as stipulated in the asset valuation engagement contract besides the Client; the valuation purpose; the valuation object and scope; the base of value; the valuation date; usage restrictions of the Valuation Report; the submission timeline and method for the Valuation Report; the total valuation service fee, payment timing, and method; and the Client's cooperation and assistance with the asset valuation professionals' work, along with other important matters requiring clarification.

(II) Signing the Asset Valuation Engagement Contract

Based on the specific circumstances of the valuation engagement, our company conducted a comprehensive analysis and evaluation of professional competence, independence, and business risks. The asset valuation institution then decided whether to accept the valuation engagement. Upon accepting the asset valuation engagement, the asset valuation institution shall enter into an

asset valuation engagement contract with the Client in accordance with the law, stipulating the rights, obligations, liability for breach of contract, dispute resolution, and other contents between the asset valuation institution and the Client.

(III) Preparation of the Valuation Plan

After accepting this valuation engagement, our company immediately organized asset valuation professionals to prepare an Asset Valuation Plan, determining the appropriate level of detail for the plan reasonably. The Asset Valuation Plan included the main processes and timetable for the implementation of the asset valuation engagement, personnel arrangements, and the technical solution.

(IV) On-site Investigation

Based on the specifics of the valuation assignment, we conducted appropriate on-site investigation of the valuation object. This included:

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;

2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;

3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.

4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

We collected valuation data according to the specific circumstances of the valuation engagement and promptly supplemented the collection as needed according to the requirements of the valuation engagement and changes encountered during its implementation. The collected data included:

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;

2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;

3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation

Based on their respective work, the asset valuation professionals performed data reconciliation with the audit firm.

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.

2. Key tasks for the Income Approach valuation involved asset valuation professionals' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the calculation result under the Income Approach.

3. The preliminary calculation results from the Asset-based Approach and the Income Approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the calculation result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, and without affecting the independent judgment of the valuation conclusion, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Asset Valuation Report. Upon completion of the above asset valuation procedures, our company issued the formal Valuation Report and submitted it to the Client.

XI. Valuation Assumptions

(I) General Assumptions

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

4. Going Concern Assumption: It is assumed that the production and business operations of the Evaluated Entity can continue based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

(II) 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 China Non-ferrous Engineering and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. 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.

11. The valuation scope is based on the range of assets provided by the client. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.

12. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.

2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

The valuation conclusion in this Report is derived under the above assumptions and limiting conditions. This valuation conclusion shall become invalid if the above assessment assumptions and limiting conditions change significantly.

XII. Evaluation Conclusion

In accordance with relevant national regulations concerning asset valuation, and adhering to the principles of independence, impartiality, and objectivity, along with the necessary valuation procedures, the market value of the shareholders' total equity interest of China Non-ferrous Engineering Co., Ltd. has been valuated. Based on the above valuation work, the following conclusion is presented:

(I) Asset-Based Approach Calculation Results

According to the asset-based approach valuation, the total asset book value of China Non-ferrous Engineering Co., Ltd. was RMB 5,741.8096

million, with a valuation value of RMB 11,568.5586 million, representing an appreciation of RMB 5,826.7490 million and an appreciation rate of 101.48%. The total liability book value was RMB 1,087.9743 million, with a valuation value of RMB 1,072.9795 million, representing a depreciation of RMB 14.9948 million and a depreciation rate of 1.38%. The owner's equity book value was RMB 4,653.8352 million, with a valuation value of RMB 10,495.5790 million, representing an appreciation of RMB 5,841.7438 million and an appreciation rate of 125.53%. For details, please refer to the Summary Table of Valuation Results.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB 10,000

Item		Book Value	Valuation Value	Appreciation/ Depreciation	Appreciation/ Depreciation Rate %
		A	B	C=B-A	D=C/A×100 %
Total Current Assets	1	16,745.80	16,745.80	-	-
Total Non-Current Assets	2	557,435.16	1,140,110.06	582,674.90	104.53
Including: Long-term Equity Investments	3	474,436.97	784,436.35	309,999.38	65.34
Investment Properties	4	29,708.86	269,263.28	239,554.42	806.34
Fixed Assets	5	12,138.48	72,247.46	60,108.99	495.19
Construction in Progress	6	171.68	173.40	1.72	1.00
Intangible Assets	7	27,437.72	448.13	-26,989.60	-98.37
Including: Intangible Assets - Land Use Rights	8	26,993.88	-	-26,993.88	-100.00
Subtotal of Other Non-Current Assets	9	13,541.45	13,541.45	-	-
Total Assets	10	**574,180.96**	**1,156,855.86**	**582,674.90**	**101.48**
Current Liabilities	11	83,474.90	83,474.90	-	-
Non-Current Liabilities	12	25,322.53	23,823.05	-1,499.48	-5.92
Total Liabilities	13	**108,797.43**	**107,297.95**	**-1,499.48**	**-1.38**
Owner's Equity (or Shareholders' Equity)	14	**465,383.52**	**1,049,557.90**	**584,174.38**	**125.53**

(II) Income Approach Calculation Results

According to the valuation, as of the valuation date of July 31, 2025, the total equity value of China Non-ferrous Engineering Co., Ltd. was RMB 8,720.1894 million, representing an appreciation of RMB 4,066.3542 million compared to the book value of owner's equity of RMB 4,653.8352 million on the valuation date, with an appreciation rate of 87.38%.

(III) Analysis of the Results from the Two Methods

From the above results, it can be observed that the valuation results from both the income approach and the asset-based approach show varying degrees of appreciation relative to the book value of net assets. The result from the Asset-based Approach is RMB 1,775.3896 million higher than that from the income approach. An analysis of the bases and value composition of the Valuation Methods shows that:

Analyzing from the perspective of the influence of subjective factors on the results: when using the income approach, every data point affecting the company's future income (net cash flow) such as revenue, costs, expenses, working capital, and capital expenditures is a forecast or a calculation based on forecasts. In contrast, when using the asset-based approach, the valuation value of tangible assets is calculated based on market price data of the relevant assets as of the valuation date. From a forecasting perspective, although calculations are compared as much as possible based on historical business data, such as main business costs, related expenses, and market development expenditures, on the basis of revenue forecasts, it is difficult to determine various expenditures based on a strict and stable ratio; predictions must be made based on analysis.

The technical rationale of the asset-based approach is to derive a valuation conclusion based on assessing the assets and liabilities objectively existing as

of the valuation date one by one. This allows users of the valuation report to intuitively understand the value composition of the company's existing assets.

In summary, we consider the calculation result from the asset-based approach to be more reasonable and to more objectively reflect the market value of the valuation object. Therefore, this report adopts the calculation result from the asset-based approach as the final valuation conclusion.

(IV) Valuation Conclusion

The valuation determined that as of the valuation date, July 31, 2025, the total equity value of the shareholders of China Non-ferrous Engineering Co., Ltd. was RMB 10,495.5790 million. In words: RMB Ten Billion Four Hundred and Ninety-five Million Five Hundred and Seventy-nine Thousand.

The appraisal concluded that, compared with the parent company's book equity of RMB 4,653.8352 million as of the valuation date, the appraised value increased by RMB 5,841.7438 million, representing an appreciation rate of 125.53%; and compared with the parent company's equity attributable to owners in the consolidated financial statements of RMB 4,238.3410 million, the appraised value increased by RMB 6,257.2380 million, representing an appreciation rate of 147.63%.

XIII. Notes for Special Matters

Users of this Valuation Report shall pay attention to the potential impact of the following special matters on the valuation conclusion and give them full consideration when making decisions based on this report.

(I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation value, if such defect was not specially stated during the engagement by the enterprise and remains unknown

even after the asset valuation professionals have performed their valuation procedures.

(II) This report is based on information required for the valuation provided by China Non-ferrous Engineering, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.

(III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional valuation opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) The future profit forecast involved in the valuation is based on projections formulated by the management of China Non-ferrous Engineering and confirmed by both China Non-ferrous Engineering and the client. China Non-ferrous Engineering is responsible for the authenticity, scientific validity, and completeness of the relevant data and information supporting the future profit forecast, as well as for the reasonableness and achievability of the forecast itself. It is the responsibility of the client and relevant parties to provide the necessary materials and ensure the authenticity, legality, and completeness of the materials provided; the responsibility of the asset valuation professionals is to analyze and estimate the value of the valuation object for the specific purpose at the valuation date and to express professional opinions.

(V) The valuation assumptions used in this income approach valuation represent a reasonable prediction of the future operations of the valuation object under current conditions. If various unpredictable and unavoidable factors arise in the future that could affect the fulfillment of these assumptions, the degree to which the profit forecast is achieved may be impacted. The asset valuation professionals hereby remind the client and other relevant parties that we do not guarantee the fulfillment of the aforementioned assumptions, nor do we undertake any obligation to achieve or assist in achieving them.

(VI) The book values of assets and liabilities, financial indicators, and other relevant information used in this asset valuation report are based on the audit report (TZY Zi [2025] No. 42286) issued by Baker Tilly China Certified Public Accountants (Special General Partnership). The audited financial data in the audit report forms the basis for the asset valuation. If this financial data change, the valuation conclusions herein may become invalid.

(VII) Citation of Conclusions of Reports Issued by Other Institutions

The valuation does not directly cite conclusions from reports issued by other institutions.

(VIII) Incomplete Property Ownership Information or Existence of Defects Therein

Among the building assets declared by China Non-ferrous Engineering Co., Ltd. for the valuation, some properties lack ownership certificates. The specific details are as follows:

Serial Number	Building Name	Structure	Completion Date	Unit of Measurement	Building Area	Remark
1	Old Cadres' Office	Mixed	December 31, 2008	m²	606.00	
2	ENFI Tower Block B	Reinforced concrete	May 30, 2017	m²	67,923.15	
3	Administrative office building	Mixed	December 31, 2003	m²	7,534.01	Area update not processed after addition

For the valuation, the floor area for buildings not yet certified was determined primarily based on ownership confirmation documents and

surveying & mapping data provided by the evaluated entity, combined with on-site inspection by the asset valuation professionals. However, the final area shall be subject to the area registered on the property ownership certificate issued by the relevant property management authority. China Non-ferrous Engineering Co., Ltd. has committed that the ownership of these structures belongs to China Non-ferrous Engineering Co., Ltd., the ownership is clear and undisputed, and that China Non-ferrous Engineering Co., Ltd. will bear all legal liabilities should any legal disputes arise regarding the property ownership of the buildings within the valuation scope. This valuation did not consider the potential impact of ownership defects on the valuation conclusion.

(IX) Notes on Limitations in Valuation Procedures, Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

1. Due to objective constraints, the asset valuation professionals were unable to conduct physical surveys of concealed works and relied solely on relevant documentation provided by the evaluated entity for verification.

2. During the valuation process, while inspecting the equipment, the valuation of the equipment's condition relied primarily on the asset valuation professionals' visual observations, recent inspection data provided by the evaluated entity, and inquiries made to relevant operators, due to limitations in testing methods and the fact that some equipment was in operation.

(X) Notes on Incomplete Valuation Data

No significant valuation data was found to be incomplete during this valuation.

(XI) Other Key Information Not Provided by the Client

None.

(XII) Notes on Pending Legal, Economic, and Other Matters as of the Valuation Date

None.

(XIII) Explanatory Notes on Matters Concerning Guarantees, Mortgages, and Contingent Liabilities (or Contingent Assets)

None.

(XIV) Explanation of Lease Matters

As of the valuation date, China Non-ferrous Engineering Co., Ltd. leased the Zhongjia Office Building for office use. The specific details are as follows:

S/N	Building Name	Lessor	Lease Purpose	Unit of Measurement	Leased Area	Lease Term	Annual Rent (RMB)
1	Zhongjia Office Building	Beijing Dongxing Meeallurgical New-tech & Development Corp.	Office Space	Square meters	539.80	January 1, 2022 to December 31, 2026	643,609.68

(XV) Other Matters to Be Explained

None.

(XVI) This valuation conclusion does not consider potential changes in tax obligations arising from the valuation value appreciation or depreciation.

(XVII) Explanatory Notes on Specific Matters Related To Long-term Equity Investment Entities

1. Matters concerning property rights defects

(1) China Silicon Corporation Ltd. owns three residential properties located at No. 26 Linjian South Road, Luoyang City, specifically in the Luoyang Development and Reform Commission residential compound (Units 4-3-701, 4-2-701, 4-2-702). In 2004, China Silicon purchased these three apartments to accommodate introduced talents (Yi Zhengyi, Yu Jun, Zheng Yue). After these three individuals resigned, the procedures related to the purchase, such as deed tax, which were handled by them, resulted in inconsistencies between the property certificates registered under China Silicon's name and the deed tax documentation, making it impossible to obtain the house ownership certificates. These three properties are currently idle. Due

to the defects in property rights, which prevent these assets from entering the transaction market, the book value is used as the valuation value for the valuation.

(2) For items 46 to 50 in the building valuation details of China Silicon Corporation Ltd., these five buildings are constructed on leased land, making it impossible to obtain house ownership certificates. This assessment assumes that the land lease can be successfully renewed upon expiration. The economic life of the buildings is considered normally.

(3) None of the building assets declared by ENFI New Energy (Zhongwei) Co., Ltd. have property ownership certificates. The specific details are as follows:

S/N	Building Name	Structure	Completion Date	Unit of Measurement	Building area/volume	Remark
1	Inverter room	Brick-concrete structure	2011/03	m²	634.15	
2	Power distribution building, comprehensive building and pump house	Framework structure	2011/03	m²	1,270.00	
3	Warehouse	Framework structure	2011/03	m²	420.00	
4	Phase II inverter room	Brick-concrete structure	2011/03	m²	1,399.40	
5	Phase III inverter room	Steel structure	2012/06	m²	931.20	
6	Phase III power distribution station and comprehensive building	Reinforced concrete structure	2012/06	m²	496.80	
7	Phase III pump house and warehouse	Reinforced concrete structure	2012/06	m²	309.60	

For the valuation, the floor area for buildings not yet certified was determined primarily based on ownership confirmation documents and surveying & mapping data provided by the evaluated entity, combined with on-site inspection by the asset valuation professionals. However, the final area shall be subject to the area registered on the property ownership certificate issued by the relevant property management authority. ENFI Zhongwei

guarantees that the ownership of these buildings belongs to ENFI Zhongwei, is clear, and is undisputed. ENFI Zhongwei will assume all legal responsibility should any legal disputes arise regarding the property ownership of the buildings within the valuation scope. This valuation did not consider the potential impact of ownership defects on the valuation conclusion.

2. Matters concerning Mortgage, Pledge, and Guarantee

(1) Xiangyang ENFI Environmental Protection Energy Co., Ltd.

In March 2017, Xiangyang ENFI Environmental Protection Energy Co., Ltd. signed a *Pledge Contract* (No.: EFDY 20170101-1) with Hubei Xiangyang Rural Commercial Bank Co., Ltd., pledging the accounts receivable from waste treatment fee income for the waste-to-energy power generation project from February 1, 2017, to January 31, 2027, as collateral. The guaranteed amount was RMB One hundred and nine million five hundred and fifty thousand. On December 27, 2021, Xiangyang ENFI signed a *Fixed Asset Loan Contract* (No.: PSBC42-YYT2021122703) with the Xiangyang Branch of Postal Savings Bank of China Co., Ltd., for a loan of RMB 251.86 million. The loan term is ten years, from December 27, 2021, to December 26, 2031. Simultaneously, an *Accounts Receivable Pledge Contract* (No.: PSBC42-YYT2021122703-1) was signed, pledging the accounts receivable generated from the electricity tariff collection rights and waste treatment fee collection rights of the Xiangfan Municipal Solid Waste Incineration Power Plant Project, the Xiangyang Solid Waste Incineration Power Plant Phase II Expansion Project, and the Xiangyang ENFI Solid Waste Incineration Power Plant Technical Upgrade Project, proportionally based on the loan share.

(2) ENFI Municipal Solid Waste (Xiaogan) Co., Ltd.

On July 12, 2021, ENFI Municipal Solid Waste (Xiaogan) Co., Ltd. signed a *Fixed Asset Loan Contract* (Contract No.: HTZ420686036GDZC202100003) with the China Construction Bank

Corporation Xiaogan Jiaotong Road Sub-branch for a loan of RMB One hundred and forty million. The loan term is from June 25, 2021, to June 24, 2033. On November 16, 2022, both parties signed a *Highest Amount Mortgage Contract*. The mortgaged assets are the 11,278.55 square meters of industrial real estate and 39,779 square meters of land use right registered under the property ownership certificate No. E (2022) XGQ BDCQ No. 0010184, and the 38,549 square meters of land use right registered under the property ownership certificate No. E (2022) XGQ BDCQ No. 0001514. On May 17, 2023, both parties signed a supplementary agreement, revising the loan interest rate to LPR minus 120 basis points.

(3) Gu'an Enfei Environmental Protection Energy Co., Ltd.

On November 11, 2020, Gu'an Enfei Environmental Protection Energy Co., Ltd. entered into an accounts receivable pledge agreement with the Langfang Branch of Postal Savings Bank of China Co., Ltd. The agreement stipulates that the pledged assets are the rights to collect electricity fees and waste disposal fees after the completion of the "Gu'an County Municipal Solid Waste Incineration Power Plant Project". The appraised value of the pledged assets is RMB 816.9700 million, and the total loan amount under the loan agreement is RMB 512.3700 million. The loan term is from November 11, 2020, to November 10, 2035.

(4) Gu'an Enfei Environmental Technology Co., Ltd.

On December 8, 2021, Gu'an Enfei Environmental Technology Co., Ltd. entered into an accounts receivable pledge agreement with the Gu'an Branch of Industrial and Commercial Bank of China Limited. The agreement stipulates that the pledged assets are the rights to collect fees from the "Gu'an County Organic Waste Resource Treatment Project," with a pledged asset value of RMB 100.0000 million.

(5) China Silicon Corporation Ltd.

On January 28, 2022, China Silicon Corporation Ltd. entered into an accounts receivable pledge agreement with the Luoyang Branch of Postal Savings Bank of China Co., Ltd. The agreement stipulates that the pledged assets are the total land acquisition compensation (i.e., land and above-ground buildings in Luolong Science and Technology Park, Luoyang) and related assets such as equipment and facilities, with a total compensation value of RMB 2,329.4992 million.

3. Matters concerning capital liable to be paid

As of the valuation date, the status of incomplete capital contributions for long-term equity investment units is as follows:

(1) ENFI Indonesia Co., Ltd.

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount (RMB 10,000)	Ratio %	Amount (RMB 10,000)	Ratio %
China ENFI Engineering Corporation	1,530.24	67.00	653.86	100.00
PT GUNUNG AGUNG KONTRAKTOR	773.70	33.00	0.00	0.00
Total	**2,303.94**	**100.00**	**653.86**	**100.00**

(2) MCC ENFI South China Engineering Technology Co., Ltd.

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount (RMB 10,000)	Ratio %	Amount (RMB 10,000)	Ratio %
China ENFI Engineering Corporation	5000.00	100.00	1000.00	100.00
Total	**5000.00**	**100.00**	**1000.00**	**100.00**

(3) ENFI Zambia Co., Ltd.

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount (RMB 10,000)	Ratio %	Amount (RMB 10,000)	Ratio %
China ENFI Engineering Corporation	1.0830	100.00	0.00	0.00
Total	**1.0830**	**100.00**	**0.00**	**0.00**

(4) ENFI Xiong'an Technology Development Co., Ltd.

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount (RMB 10,000)	Ratio %	Amount (RMB 10,000)	Ratio %

China ENFI Engineering Corporation	5000.00	100.00	2700.00	100.00
Total	**5000.00**	**100.00**	**2700.00**	**100.00**

(XVIII) Matters occurring between the valuation date and the asset valuation report date that could potentially impact the valuation conclusion

If the quantity of assets or pricing standards change after the valuation date, affecting the valuation conclusion, this valuation conclusion cannot be used directly and must be adjusted or a re-valuation must be conducted.

XIV. Notes on Usage Restrictions for the Assessment Report

(I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.

(II) If the client or other users of this asset valuation report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its valuers shall bear any responsibility.

(III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

(IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

(V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only

acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.

(VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

(VII) The validity period for the use of the valuation conclusion in this report is one year from the valuation date, i.e., it is valid for use from July 31, 2025 to July 30, 2026. When the valuation purpose is realized within one year after the valuation date, the valuation conclusion can serve as a reference for this valuation purpose. If it exceeds one year, a new asset valuation must be conducted.

XV. Date of the Asset Valuation Report

Date of this report: December 3, 2025

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Legal representative of the valuation institution:

Asset Appraiser:

正式执业会员
资产评估师
赵虹
11170006

Asset Appraiser:

正式执业会员
资产评估师
张琦
15030001

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Asset Valuation Report
Supplementary Information

on Shareholders' Total Equity Value of China Non-ferrous Engineering Co., Ltd. Involved in the Metallurgical Corporation of China Ltd.'s Proposed Transfer of Subsidiary Equity

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

Summary of Valuation Assumptions and Calculation Process of Valuation of the Shareholders' Total Equity Value of China ENFI Engineering Co., Ltd. via the Income Approach

I. Introduction to the Application of the Income Approach

The income approach refers to a general term for various valuation methods that judge the value of an asset by estimating the present value of its expected future income. It follows the idea of deriving the principal from profits in asset valuation that is, adopting the approaches and methods of capitalization and discounting to judge and estimate the value of an asset.

II. Base of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value. Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

III. Valuation Assumptions of the Income Approach

(I) 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

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

(II) 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 China ENFI Engineering Co., Ltd. and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. After the valuation date, the business scope and mode of the Evaluated 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. 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.

11. It is assumed that the evaluated entity would continue to be recognized as a High and New Technology Enterprise and thus continue to enjoy a preferential corporate income tax rate of 15%.

12. It is assumed that the evaluated entity can renew the lease of its business premises on the same market conditions upon the expiration of the current lease term, and that changes in office and business premises will not exert a significant impact on its production and operations.

13. The valuation scope is based on the range of assets provided by the client. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.

14. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

IV. Specific Form of the Income Approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent. Based on the industry, business model, capital structure, and development trends of the Evaluated Entity, the Free Cash Flow to the Firm discount model under the Discounted Cash Flow Method was selected for the Income Approach in this valuation. This model involves discounting the Free Cash Flow to the Firm over the future income period using an appropriate discount rate and summing the results to calculate the value of the

operating assets. The value of surplus assets, non-operating assets, and liabilities is then added, and the value of interest-bearing debt is subtracted to ultimately obtain the shareholders' total equity value.

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent.

Shareholders' Total Equity Value = Total Enterprise Value - Interest-Bearing Debt Value

Total Enterprise Value = Value of Operating Assets + Value of Surplus Assets + Value of Non-Operating Assets and Liabilities

(I) Value of Operating Assets

The value of operating assets includes the present value of the Free Cash Flow to the Firm during the detailed forecast period and the present value of the Free Cash Flow to the Firm during the perpetual period following the detailed forecast period.

(II) Income Basis - Free Cash Flow to the Firm

The type of income used in the valuation is free cash flow to the firm. Free Cash Flow to the Firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

(III) Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm (R). There are several sources of funds for enterprises, including equity contributions, bonds, bank loans, lease, and retained earnings. Both creditors and shareholders invest funds in a specific enterprise, expecting their investments to be compensated for the opportunity cost of capital. The Weighted Average Cost of Capital refers to the cost of capital calculated by weighting the individual cost of each source of financing according to its proportion in the total capital. In other words, it is the average cost of capital obtained by taking the specific cost of each financing source and applying its relative share in the overall capital structure as the weighting factor. The calculation formula for the WACC is:

$$WACC = \left(\frac{1}{1+D/E}\right) \times \mathrm{Re} + \left(\frac{1}{1+E/D}\right) \times (1-T) \times Rd$$

Wherein: E: Target equity value of the valuation object;

D: Target debt value of the valuation object;

Re: Expected rate of return on equity;

Rd: Expected rate of return on debt;

T: The applicable enterprise income tax rate.

The cost of equity capital (Re) was determined using the Capital Asset Pricing Model (CAPM):

$$R_e = R_f + \beta(R_m - R_f) + \alpha$$

Wherein: Rf -- Risk-free interest rate;

β -- Equity systematic risk adjustment coefficient;

Rm- Rf -- Market risk premium;

α: Company-specific risk adjustment factor.

(IV) Income Period

A perpetual period was adopted as the income period for this valuation. Among them, the first stage is from August 1, 2025 to December 31, 2030, a period of five years and one period. During this stage, the income status is changing based on the operating conditions of China ENFI. The second stage is from January 1, 2031 to perpetuity. During this stage, China ENFI is assumed to maintain the stable level of earnings forecast for 2030.

(V) Valuation Calculation Formula for the Income Approach

The calculation formula for the Income Approach used in this valuation is as follows:

$$P = \sum_{i=1}^{n} \frac{A_i}{(1+R)^i} + \frac{A}{R(1+R)^n} - B + OE$$

Wherein: P = Total equity valuation value of the enterprise's shareholders;

Ai = Free Cash Flow to the Firm during the detailed forecast period;

A = Free Cash Flow to the Firm during the perpetual period following the detailed forecast period;

R -- Discount rate;

n = Detailed forecast period;

B = Present value of the interest-bearing debt as of the valuation date;

OE = Present value of the sum of surplus assets, non-operating assets and liabilities as of the valuation date.

V. Forecast and Estimation Process of the Income Approach Valuation

China ENFI completed and provided the *Income Approach Valuation Declaration Form*. Asset valuation professionals conducted independent analysis and judgment on the future forecasts provided by the enterprise, and carried out a review of the enterprise's future operation and income forecasts in combination with the interviews and understanding of the enterprise by the asset valuation professionals.

(I) Forecast of Operating Income and Costs

1. Forecast of Main Business Revenue

China ENFI Engineering Design and Supporting Engineering Services ranked first in the non-ferrous metal industry in all its sub-businesses in 2025.

The enterprise has sufficient ongoing orders. In the past two and a half years, China ENFI non-ferrous metallurgy business has signed new contracts worth 43.115 billion yuan. Mainly distributed in domestic provinces such as Xinjiang, Shandong, Qinghai, and Henan, as well as in foreign countries such as Indonesia and the Democratic Republic of Congo.

China ENFI has formulated the 2025 budget and conducted analytical research and judgment for 2026-2027. The 2025 main business revenue forecast is based on the actual completion performance of the current year and the execution progress of ongoing orders; the 2026 main business revenue forecast is made through analysis of the status of ongoing projects; the 2027 main business revenue forecast is developed on the basis of the previous year, taking into account potential new orders. Starting from 2028, due to the long time span from the current date, the main business revenue forecast is conducted based on market trend judgment. The forecasts for the main business income for 2025 and the subsequent five years are as follows:

Year/Item	2025	2026	2027	2028	2029	2030
Main Business Revenue (in RMB 10000)	674,430.55	576,000.00	661,000.00	719,000.00	758,000.00	790,000.00

Note: The 2025 operating revenue includes 445,440.70 (in RMB 10000) from the historical period of January to July and 228,989.85 (in RMB 10000) from the forecast period of August to December.

Based on the forecast data, China ENFI's revenue growth rates from 2026 to 2030 are projected to be -14.6%, 14.8%, 8.8%, 5.4%, and 4.2%, respectively. Starting from 2031, the revenue is expected to remain stable with no further growth. The decline in revenue in 2026 is primarily due to the substantial completion of certain large-scale EPC projects by 2025, with no projects of comparable scale expected to be executed in 2026. For instance, a lead-zinc smelting project is projected to recognize revenue of RMB 2.2 billion in 2025 and RMB 1.2 billion in 2026. Two Indonesian projects are expected to recognize revenue of RMB 1.653 billion in 2025 and RMB 500 million in 2026. China ENFI is currently pursuing several large-scale projects (with a total contract value of approximately RMB 20 billion) that are expected to commence in 2027, leading to a significant year-over-year revenue growth of 14.8% in 2027. In 2028, as the execution of these large projects progresses, the scale of annual new revenue is anticipated to decrease, resulting in a lower growth rate of 8.8% compared to 2027. In the later forecast period, taking into account China ENFI's compound annual revenue growth rate of 7.4% from 2022 to 2026, and considering the trend of slowing growth as the revenue base expands, the revenue growth rates for 2029 and 2030 are projected to be 5.4% and 4.2%, respectively.

2. Forecast of Main Business Costs

The composition of main business costs corresponds to that of main business income, mainly including labor costs, equipment procurement costs, domestic construction costs, service fees, and other expenses.

The company's gross profit margin remains relatively stable. The forecasted main business operating costs are primarily based on the gross profit levels observed in the main business over the past two years, the historical composition of main business costs, and the projected revenue trends of each main business segment. During the forecast period, the company's main business gross margin is expected to remain relatively stable.

3. Forecast of Other Business Income and Expenses

China ENFI has no historical records of other business income and expenses, and there will be no relevant forecasts for other business income and expenses in the future.

(II) Forecast of Taxes and Surcharges

The turnover taxes involved in various income items of China ENFI are mainly value-added tax (VAT). In accordance with the *Announcement on Policies Related to Deepening VAT Reform* (Announcement [2019] No. 39 of the Ministry of Finance, State Taxation Administration, and General Administration of Customs), starting from April 1, 2019, for general VAT taxpayers engaged in taxable sales activities or importing goods, the original VAT rate of 16% has been adjusted to 13%, and the original rate of 10% has been adjusted to 9%. The output VAT rates applicable to the enterprise's businesses are 13%, 9%, and 6% respectively. Specifically, the output VAT rate for construction business is 9%; for domestic sales business, it is 13%; for domestic technical design and consulting services, it is 6%; and no VAT is levied on overseas income.

Among the taxes and surcharges, the education surcharge and local education surcharge are accrued at 3% and 2% respectively based on the actually paid VAT. The urban maintenance and construction tax is accrued at 7% of the actually paid VAT.

The stamp duty is accrued at 0.03% based on the sales income as well as the procurement costs of equipment and services.

The vehicle and vessel tax is levied in accordance with the type, performance indicators and other relevant factors of vehicles and vessels. As the enterprise has no plans to add new vehicles or vessels, the amount of vehicle and vessel tax remains stable.

(III) Forecast of Sales Expenses

The sales expenses of China ENFI mainly include employee compensation, business expenses, travel expenses, office expenses, consulting fees, and rental fees.

For employee compensation, the forecast is made based on the number of sales personnel and the salary growth level.

For rental fees, the forecast is conducted in accordance with the enterprise's actual lease contract terms, and a stable forecast will be maintained after the expiration of the lease term.

For travel expenses, business expenses, office expenses, consulting fees and other related expenses, the calculation is based on the average level over the past three years.

(IV) Forecast of Management Expenses

The management expenses of China ENFI mainly consist of employee compensation, rental fees, office expenses, consulting fees, depreciation and amortization expenses, etc.

For depreciation and amortization expenses, which are fixed costs, the calculation is made based on the existing asset conditions, subsequent capital additional expenditures and the depreciation and amortization period.

For employee compensation, the forecast is made based on the number of management personnel and the salary growth level.

For rental fees, the forecast is conducted in accordance with the enterprise's actual lease contract terms, and a stable forecast will be maintained after the expiration of the lease term.

For office expenses, consulting fees and other similar expenses, the calculation is based on the average level over the past three years.

(V) Forecast of R&D Expenses

The R&D expenses of China ENFI include labor costs, equipment procurement fees, material costs, travel expenses, depreciation and amortization, etc. Wherein: For depreciation and amortization, the forecast is made in accordance with the existing depreciation and amortization policies, taking into account the corresponding capital expenditures. For employee compensation, the forecast is based on the salary and welfare standards for R&D personnel, with a certain level of growth factored in according to future trends. For equipment procurement fees, material costs and other related expenses, a stable forecast is maintained in line with the enterprise's operational scale.

(VI) Forecast of Financial Expenses

According to the accounting content of the evaluated entity's financial expenses, the financial expenses mainly include interest income, handling fees, exchange losses, and others.

Interest Expenses: The enterprise relies on bank loans for operating capital turnover. The interest expenses are forecast based on the bank credit lines, with the loan scale and interest rate maintained at the level as of the valuation date.

Interest Income: The funds surplus to operational needs have been identified as redundant monetary funds as of the valuation date, so no forecast for interest income is made.

Handling Fee Expenses: Forecast to remain stable.

Exchange Losses and Others: These are of an occasional nature and are not included in the forecast.

(VII) Forecast of Other Income, Investment Income and Impairment Losses

Other Income: Consists of the refund of individual income tax handling fees. In this valuation, the forecast is made based on the actual amount of refund for withholding income tax obtained by the enterprise.

Investment Income: Refers to dividends from subsidiaries. In this valuation, long-term equity investments are added back as separately valuated assets, and no profit forecast is involved.

Impairment losses are incidental, so no forecast is made in this valuation.

(VIII) Forecast of Non-operating Income and Expenses

In the past two years, the non-operating income and expenses of China ENFI were other sporadic income and confiscatory expenditures, etc. For non-operating income and expenses that have actually occurred before September of the current year, the forecast is made based on the actual figures. For other periods, since non-operating income and expenses are contingent, no forecast is made for the non-operating income and expenses in the forecast years in this valuation.

(IX) Forecast of Income Tax Expenses

Enterprise income tax is a tax levied on the production and business income as well as other income of domestic enterprises and business units in China. The *Enterprise Income Tax Law of the People's Republic of China* stipulates that the general enterprise income tax rate is 25%. Since the enterprise is a high-tech enterprise, the enterprise income tax rate is forecasted to be calculated and paid at 15% in this valuation. And the tax payment shall be adjusted according to the following policies:

1. Pursuant to the newly revised *Regulations for the Implementation of the Enterprise Income Tax Law of the People's Republic of China*, the business reception expenses incurred by the company in connection with its production and business activities shall be deducted at 60% of the actual amount incurred, with the maximum deduction not exceeding 5‰ of the current year's sales (operating) income. Based on this provision, the company's annual taxable income shall be increased by 40% of the business reception expenses incurred each year.

2. Additional deduction of R&D expenses: In accordance with the *Announcement on Policies for Further Improving the Pre-tax Additional Deduction of R&D Expenses* (2023 No. 7) issued by the State Taxation Administration, for the actual R&D expenses

incurred by enterprises in carrying out R&D activities that are not capitalized as intangible assets and are included in current profits and losses, on the basis of actual deduction in accordance with relevant provisions, an additional 100% of the actual amount incurred shall be deducted before tax starting from January 1, 2023.

(X) Forecast of Depreciation and Amortization

The fixed assets of China ENFI mainly consist of machinery and equipment as well as electronic equipment. No intangible assets are recorded in the accounting books, and the long-term deferred expenses refer to building rental fees. In this valuation, on the basis of estimating the depreciation amount for the future operating period according to the company's fixed asset depreciation policy, using the book original value as of the valuation date, the expected service life, the depreciation rate and other factors, the forecast of the company's fixed asset depreciation for future years is made by considering factors such as the increase in the annual depreciation amount of the company's fixed assets in the future due to capital investment in future years, and the decrease in the annual depreciation amount of the company's fixed assets in the future due to the elimination of old fixed assets. In accordance with the company's amortization policy for long-term deferred expenses, the forecast of the company's annual amortization amount for future years is conducted on the basis of estimating the amortization amount for the future operating period with reference to the original book value of long-term deferred expenses as of the valuation date and their estimated useful life.

(XI) Forecast of Capital Expenditures

Capital expenditures refer to the expenditures incurred by an enterprise for the purchase and construction of fixed assets or other non-current assets to maintain its operations. The fixed assets of China ENFI mainly consist of machinery and equipment as well as electronic equipment. No intangible assets are recorded in the accounting books, and the long-term deferred expenses refer to building rental fees. Based on the premises and foundations of the income forecast, and in combination with the historical capital expenditures incurred by the enterprise for asset renewal and capacity expansion, the future capital expenditures are estimated.

Capital investment will increase the enterprise's annual fixed asset depreciation amount and annual intangible asset amortization amount in the future, but obsolete assets will also be withdrawn. Eventually, this will achieve a balanced state where capital expenditures are matched with fixed asset depreciation, intangible asset

amortization, and long-term deferred expense amortization. Capital expenditures are an overall matching forecast made by factors such as comprehensively considering fixed asset depreciation and intangible asset amortization, and no detailed forecast will be made any longer.

(XII) Forecast of Working Capital

The increase in working capital refers to the additional operating capital that an enterprise needs to invest to maintain normal operations without changing the current operating and production conditions. For example, the basic funds required for maintaining cash for normal operations, the purchase of product inventory, the advance payment for purchases on behalf of clients (receivables), as well as the payable amounts, etc. The increase in working capital refers to the cash occupied by obtaining commercial credit from others, the cash and inventory maintained for normal operations, etc., as the enterprise's business activities change; At the same time, in economic activities, providing commercial credit can reduce the immediate payment of cash accordingly.

Working capital is equal to operating current assets minus interest-free liabilities. Operating current assets include all current assets used or needed for the company's operations, including certain cash balances, receivables, inventory, etc. In this valuation, working capital for the forecast period is calculated by subtracting interest-free liabilities from operating current assets.

This calculation of working capital takes into account the enterprise's minimum monetary fund holding amount. The minimum monetary fund holding amount is an indicator to measure whether an enterprise has sufficient funds to ensure its normal operation. The minimum monetary fund holding amount is determined by taking the enterprise's main expense items (including operating costs, taxes and surcharges, management expenses, sales expenses, research and development expenses, financial expenses - interest expenses), deducting expenses that do not require cash payment (depreciation) as the enterprise's annual expense costs, thereby obtaining the enterprise's monthly expense costs; Then calculating the enterprise's minimum monetary fund holding amount based on the number of months of the enterprise's safety funds.

The portion of the enterprise's monetary funds as of the valuation date that exceeds the minimum monetary fund holding amount is regarded as the enterprise's surplus monetary funds. The enterprise has surplus monetary funds as of the valuation date.

The change in working capital as defined in this report is: Change in working capital = Current period working capital - Previous period working capital

(XIII) Determination of Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm.

$$WACC = \left(\frac{1}{1+D/E}\right)\times \mathrm{Re} + \left(\frac{1}{1+E/D}\right)\times(1-T)\times Rd$$

1. Determination of the Cost of Equity Capital (Re)

$$R_e = R_f + \beta_e(R_m - R_f) + \alpha$$

The determination process for each parameter involved in the Capital Asset Pricing Model (CAPM) formula is elaborated on separately as follows:

(1) Risk-Free Rate of Return (Rf)

The risk-free rate of return refers to the expected rate of return of investors on investing in risk-free assets. Risk-free interest rate is generally represented by the yield to maturity of national bonds. For this project, the yield to maturity of Chinese treasury bonds with a remaining term of more than ten years as of the valuation date of July 31, 2025 is adopted as the risk-free rate of return, with a value of 2.84% (retained to two decimal places).

(2) Company's Systematic Risk Factor (β_e)

βe is an indicator used to measure the systematic risk of a company. In this valuation, since China ENFI is a non-listed company, asset valuation professionals cannot directly obtain its beta value. Instead, they need to indirectly determine China ENFI's beta value through the analysis of domestic listed companies. The asset valuation professionals have conducted research on the Shanghai and Shenzhen Stock Exchanges.

In light of the business status and operational characteristics of the evaluated entity, asset valuation professionals have retrieved the βe values of 12 comparable listed companies on the Shanghai and Shenzhen A-shares through the iFinD Information System. After adjustment, the adjusted βe values were obtained, which were then converted into βu values based on the income tax rates and capital structures of these comparable listed companies.

NO.	Stock Code	Stock Name	Original BETA	Adjusted BETA	Capital Structure (D/E)	Income Tax Rate	Calculated Unlevered Beta
1	600629.SH	Arcplus Group PLC	1.1469	1.0984	19.70%	25.00%	0.9570
2	600720.SH	CCCC Design & Consulting	0.8977	0.9315	13.11%	25.00%	0.8481
3	603357.SH	Anhui Transport Consulting & Design Institute Co., Ltd.	0.8788	0.9188	8.29%	15.00%	0.8583
4	603458.SH	Guizhou Transportation Planning Survey & Design Academe Co., Ltd.	0.7097	0.8055	58.57%	15.00%	0.5378
5	603637.SH	ZPEC	0.8096	0.8724	0.00%	15.00%	0.8724
6	002116.SZ	HAISUM	0.8533	0.9017	0.77%	15.00%	0.8959
7	002883.SZ	Zhongshe Group	0.7702	0.8460	4.71%	15.00%	0.8135
8	300284.SZ	JSTI	1.1776	1.1190	27.12%	15.00%	0.9094
9	301167.SZ	AADRI	0.8310	0.8868	2.16%	15.00%	0.8707
10	300746.SZ	Hanjia Design	1.0133	1.0089	12.64%	15.00%	0.9111
11	301505.SZ	SZPD	1.4393	1.2943	3.27%	15.00%	1.2593
12	301027.SZ	Hualan Group	1.0331	1.0222	13.39%	25.00%	0.9289
Arithmetic Mean					13.64%		0.8885

Finally, asset valuation professionals obtained the average unleveraged equity beta value of 12 sample companies as 0.8885. Subsequently, asset valuation professionals can calculate the enterprise beta value used this time:

$$\beta_e = \beta_u \times \frac{E + D(1-T)}{E}$$

Wherein: D/E was determined based on the industry capital structure; T denotes the enterprise's income tax rate. Based on these parameters, the projected levered equity beta value of the enterprise was estimated to be 0.9916.

(3) Market Risk Premium (Rm - Rf)

(Rm-Rf) is the market risk premium, which refers to the expected excess return required by investors for equity investments with the same risk as the overall market, i.e., the risk premium exceeding the risk-free rate.

The market investment return rate was calculated by averaging the annualized rates of return based on the closing prices of the CSI 300 Index on the Shanghai Stock Exchange and Shenzhen Stock Exchange. After calculation, the market investment return rate for 2025 stood at 9.39%.

The market risk premium equals the difference between the market investment return rate and the risk-free rate of return. As of July 31, 2025, the risk-free rate of return was set at 2.84%, which is the yield to maturity of national bonds with a remaining term of over 10 years as of the valuation date. Accordingly, the market risk premium as of July 31, 2025, was calculated to be 6.55%.

(4) Company-specific Risk Adjustment Factor (α)

The company-specific risk adjustment factor is an adjustment for the differences in advantages and disadvantages formed between the evaluated enterprise and the selected comparable companies in terms of enterprise scale, management capability, current development stage, client concentration, etc. Explanation of the Value Assignment for Each Risk Adjustment Factor:

1) Enterprise Scale

As of the valuation date, the total assets of the evaluated entity amount to RMB 8.5 billion, while the total asset scale of the comparable listed companies ranges from RMB 800 million to RMB 30.8 billion. Therefore, compared with the comparable companies, the evaluated entity holds a medium asset scale and has no disadvantages in terms of industry competition, resistance to operational risks, etc. The specific risk adjustment factor for this aspect is set at 0%.

2) Operational and Management Capabilities

All comparable companies are listed entities, whereas the evaluated entity is a non-listed enterprise. There is a certain gap in operational and management capabilities between the evaluated entity and the comparable companies, which feature more sound internal controls, a more professional management team, and more mature corporate culture development. Therefore, compared with its comparable companies, the evaluated entity has certain deficiencies in operational and management capabilities, and faces higher operational and management risks. The specific risk adjustment factor for this aspect is set at 1.0%.

3) Current Development Stage

The business development of the evaluated entity has certain disadvantages compared with that of the listed comparable companies. Therefore, compared with the comparable companies, the specific risk adjustment factor for this aspect is set at 1.0%.

4) Market Risks Such as Client Concentration

The client concentration of the evaluated entity is relatively higher than that of the comparable companies. Therefore, the evaluated entity faces higher client concentration risk, and the specific risk adjustment factor for this aspect is set at 0.5%.

The total company-specific risk adjustment factor (α) is set at 2.5%.

$$\mathrm{Re} = R_f + \beta e(Rm - R_f) + \alpha$$

=2.84%+0.9916×6.55%+2.5%

=11.83%

2. Determination of the Cost of Debt (Rd)

The income approach valuation is based on expectations for the future, and the selected parameters shall be reasonable estimates subsequent to the valuation date. In this valuation, the average interest rate of the enterprise's long-term borrowings at the actual interest rate as of the valuation date is adopted. Therefore, the cost of debt (Rd) is set at 2.22%.

3. Determination of the Debt-to-Equity Ratio (D/E)

Wherein, D represents the value of the enterprise's interest-bearing debt, and E represents the value of the enterprise's shareholders' equity value. Referring to the capital structure of the industry, the projected debt-to-equity ratio (D/E) for this valuation is set at 13.64%.

4. Determination of Discount Rates

Based on the calculation results of the above data, the Weighted Average Cost of Capital (WACC) is computed as follows:

$$WACC = \left(\frac{1}{1+D/E}\right)\times \mathrm{Re} + \left(\frac{1}{1+E/D}\right)\times(1-T)\times Rd$$

$=10.64\%$

The discount rate for China ENFI is ultimately determined to be 10.64%.

(XIV) Discount Calculation of Free Cash Flow to the Firm

1. Estimation of the Value of Operating Assets

Through the above estimation, asset valuation professionals forecasted the free cash flow to the firm for the next five years and one period. The discount factors for each period used in the following calculation are as follows:

Discount factor for 2025 = 1÷(1+Annual discount rate)^((12 - 7)/2/12)

Discount factor for 2026 (considering mid-period adjustment) = 1÷(1+Annual discount rate)^((5 + 6)/12)

For 2027 and subsequent years, the current discount factor can be calculated by dividing the discount factor of the previous period by (1 + the annual discount rate of the current year).

The current income multiplied by the current discount factor is converted into present value. Asset valuation professionals reasonably assume that the free cash flow to the firm will remain stable from 2031 onwards and the enterprise will operate indefinitely. The annual free cash flow to the firm can be capitalized into the value as

of mid-2030 using the discount rate, and then converted into the value as of the valuation date. By summing up the free cash flows to the firm converted to the valuation date, the valuation value of the enterprise's operating assets within the scope of the income approach calculation for China ENFI derived from the income approach valuation is RMB 1,685,856,900.

2. Non-operating Assets / Surplus Assets

After analysis, the net amount of surplus, non-operating assets and liabilities of China ENFI as of the valuation date is the sum of surplus assets and non-operating assets and liabilities, totaling RMB 5,893,496,800. Among them, the valuation method for long-term equity investments is as follows:

For the valuation, invested entities within the scope of the financial statement consolidation were assessed on a whole-entity basis to determine their owner's equity value as of the valuation date. For invested entities not within the scope of the financial statement consolidation, their owner's equity value as of the valuation date was determined based on the net asset value from their financial statements as of the valuation date.

For subsidiaries where the shareholder's paid-in capital ratio equals the subscribed capital ratio and there are no shares with different rights, the calculation formula for the long-term equity investment is:

Valuation value of long-term equity investment = appraised owner's equity value of the invested entity × shareholding ratio

For subsidiaries where the shareholder's paid-in capital ratio does not equal the subscribed capital ratio and there are no shares with different rights, the calculation formula for the long-term equity investment is:

Valuation value of long-term equity investment = (appraised owner's equity value of the invested entity + total unpaid capital contributions payable by all shareholders) × shareholding ratio - unpaid capital contribution payable by the evaluated entity described in this section.

3. Interest-Bearing Debt

As of the valuation date, the interest-bearing debt of China ENFI amounts to RMB 350,000,000.

4. Income Approach Valuation Result

In summary, the total value of surplus, non-operating assets and liabilities is RMB 5,893,496,800, and the interest-bearing debt is RMB 350,000,000. By adjusting the assessed value of China ENFI's operating assets (RMB 1,685,856,900) within the income approach calculation scope with the above figures (adding the total value of redundant and non-operating assets and liabilities and subtracting the interest-bearing debt), the shareholders' total equity valuation value of China ENFI is determined to be RMB 7,229,353,700.

Income Approach Calculation Sheet for the Valuation of Shareholders' Total Equity Value

Monetary Unit: RMB 10,000

Project / Year	August - December 2025	2026	2027	2028	2029	2030	Stabilization Period	Remarks
I. Operating income	228,989.85	576,000.00	661,000.00	719,000.00	758,000.00	790,000.00	790,000.00	Refer to *V. (I) Forecast of Operating Revenue and Costs* for detailed calculation logic
Wherein: Main business income	228,989.85	576,000.00	661,000.00	719,000.00	758,000.00	790,000.00	790,000.00	
Other business income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
II. Operating costs	190,149.13	509,169.92	587,411.17	641,086.99	676,243.29	703,483.32	703,483.32	
Wherein: Main business costs	190,149.13	509,169.92	587,411.17	641,086.99	676,243.29	703,483.32	703,483.32	
Other business costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Taxes and surcharges	108.81	291.74	497.62	771.99	807.47	841.73	841.73	Refer to *V. (II) Forecast of Taxes and Surcharges* for detailed calculation logic
Sales expenses	6,148.12	8,720.92	10,040.97	10,951.05	11,455.69	12,085.60	12,085.60	Refer to *V. (III) Forecast of Selling Expenses* for detailed calculation logic
Management expenses	9,922.03	19,592.94	19,591.70	19,584.35	19,578.89	19,570.85	19,570.85	Refer to *V. (IV) Forecast of Administrative Expenses* for detailed calculation logic
R&D expenses	12,884.11	30,164.41	31,560.84	31,937.57	33,425.40	34,575.62	34,575.62	Refer to *V. (V) Forecast of R&D Expenses* for detailed calculation logic
Financial expenses	373.75	977.00	977.00	977.00	977.00	977.00	977.00	Refer to *V. (VI) Forecast of Financial Expenses* for detailed calculation logic
Plus: Other revenue	60.00	110.00	110.00	110.00	110.00	110.00	110.00	Refer to *V. (VII) Forecast of Other Income, Investment Income, and Impairment Losses* for detailed calculation logic
Investment income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Credit impairment loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Asset impairment loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
III. Operating Profit	**9,463.90**	**7,193.07**	**11,030.70**	**13,801.05**	**15,622.26**	**18,575.88**	**18,575.88**	
Plus: Non-operating income	6.57	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (VIII) Forecast of Non-operating Income and Expenses* for detailed calculation logic
Minus: Non-operating expenses	0.03	0.00	0.00	0.00	0.00	0.00	0.00	
IV. Total Profit	**9,470.44**	**7,193.07**	**11,030.70**	**13,801.05**	**15,622.26**	**18,575.88**	**18,575.88**	
Minus: Income tax expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (IX) Forecast of Income Tax Expense* for detailed calculation logic
V. Net Profit	**9,470.44**	**7,193.07**	**11,030.70**	**13,801.05**	**15,622.26**	**18,575.88**	**18,575.88**	
Plus: Depreciation	929.80	2,347.37	2,457.71	2,330.40	2,336.99	2,244.39	2,244.39	Refer to *V. (X) Forecast of Depreciation and Amortization* for detailed calculation logic
Amortization	224.11	544.34	590.36	617.57	600.71	592.74	592.74	
Interest expenses (after tax effect)	323.75	777.00	777.00	777.00	777.00	777.00	777.00	
Deductible value-added tax	2,162.88	2,844.40	1,732.63	0.00	0.00	0.00	0.00	
Minus: Additional working capital investment	13,062.32	27,698.34	-15,162.81	-10,382.82	-6,849.35	-5,504.87	0.00	Refer to *V. (XII) Forecast of Working Capital* for detailed calculation logic
Minus: Capital expenses	1,000.00	2,600.00	2,600.00	2,600.00	2,600.00	2,600.00	2,837.13	Refer to *V. (XI) Forecast of Capital Expenditures*

Project / Year	August - December 2025	2026	2027	2028	2029	2030	Stabilization Period	Remarks
								for detailed calculation logic
VI. Free Cash Flow to the Firm	**-951.34**	**-16,592.16**	**29,151.21**	**25,308.84**	**23,586.31**	**25,094.88**	**19,352.88**	
1. Annual discount rates	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%	Refer to *V. (XIII) Determination of Discount Rate* for the selection of the discount rate
2. Discount period	0.2083	0.9167	1.9167	2.9167	3.9167	4.9167		
3. Discount factor	0.9792	0.9115	0.8238	0.7446	0.6730	0.6083		
4. Present value of free cash flow	-931.55	-15,123.75	24,014.77	18,844.96	15,873.59	15,265.22	110,642.45	
5. Cumulative present value of free cash flow	-931.55	-16,055.30	7,959.47	26,804.43	42,678.02	57,943.24	168,585.69	
6. Discounted valuation value of free cash flow to the firm		168,585.69	7. Plus: Enterprise redundant and non-operating assets				589,349.68	
8. Interest-bearing liabilities		35,000.00	9. Total equity valuation value of the enterprise's shareholders				**722,935.37**	

Free Cash Flow to the Firm in the above table refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

5.The shareholders' total equity value of China ENFI, as of the valuation dates (July 31, 2025), determined using the income approach, and is RMB 7,229,353,700.

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Asset Appraiser:

正式执业会员
资产评估师
赵虹
11170006

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SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

This Asset Valuation Report is prepared in accordance with the Chinese Valuation Standards

Asset Valuation Report

on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd. Involved in the Metallurgical Corporation of China Ltd.'s Proposed Transfer of Subsidiary Equity

ZSZYPB [2025] No. 010161

(This Valuation Report comprises 1 volume. This is Volume 1.)

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Contents

CONTENTS ..... - 2 -

STATEMENT ..... - 3 -

SUMMARY ..... - 5 -

TEXT ..... - 7 -

I. Overview of the Client and the Evaluated Entity ..... - 7 -

II. Valuation Purpose ..... - 14 -

III. Valuation Object and Scope ..... - 14 -

IV. Base of Value and Its Definition ..... - 22 -

V. Valuation Date ..... - 23 -

VI. Valuation Bases ..... - 23 -

VII. Valuation Method ..... - 29 -

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach ..... - 30 -

IX. Application of specific valuation methods in the income approach ..... - 35 -

X. Implementation Process and Situation of the Valuation Procedures ..... - 37 -

XI. Valuation Assumptions ..... - 41 -

XII. Evaluation Conclusion ..... - 43 -

XIII. Notes for Special Matters ..... - 46 -

XIV. Notes on Usage Restrictions for the Assessment Report ..... - 51 -

XV. Date of the Asset Valuation Report ..... - 51 -

Statement

I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.

II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.

III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.

VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and

other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.

VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.

VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd. Involved in the Metallurgical Corporation of China Ltd.'s Proposed Transfer of Subsidiary Equity

ZSZYPB Zi [2025] No. 010161

Summary

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the shareholders' total equity interest of MCC Tongsin Resources Ltd. involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. The main content of this Valuation Report is summarized as follows:

I. Valuation Purpose: According to the *Resolution of the Board of Director of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. intends to transfer equity involving MCC Tongsin Resources Ltd. as part of a subsidiary equity transfer. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the entire equity interest of the shareholders of MCC Tongsin Resources Ltd. involved in the aforementioned economic activity, to serve as a value reference for this economic activity.

II. Valuation Object and Scope: The valuation object is the entire equity value of the shareholders of MCC Tongsin Resources Ltd. The valuation scope covers all assets and liabilities of MCC Tongsin Resources Ltd. As of the valuation date, July 31, 2025, the company's total assets had a book value of

RMB 4,591.6303 million, total liabilities had a book value of RMB 266.1950 million, and net assets had a book value of RMB 4,325.4353 million.

III. Base of Value: The base of value for the conclusion in this Asset Valuation Report is market value.

IV. Valuation Date: July 31, 2025.

V. Valuation Method: Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the income approach.

VI. Valuation Conclusion: The valuation determined that as of the valuation date, July 31, 2025, the assessed market value of the shareholders' entire equity valuation value of MCC Tongsin Resources Ltd. was RMB 12,240.7206 million. In words: RMB Twelve Billion Two Hundred and Forty Million Seven Hundred and Twenty Thousand Six Hundred Only.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

VII. Special Matters Affecting the Valuation Conclusion: Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd. Involved in the Metallurgical Corporation of China Ltd.'s Proposed Transfer of Subsidiary Equity

ZSZYPB Zi [2025] No. 010161

Text

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to valuate the market value of the shareholders' entire equity interest of the shareholders of MCC Tongsin Resources Ltd. involved in the Metallurgical Corporation of China Ltd.'s proposed transfer of subsidiary equity as of the valuation date, July 31, 2025. This was conducted in accordance with laws and administrative regulations, adhering to the principles of independence, objectivity, and impartiality, employing both the asset-based approach and the income approach, and following necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. Overview of the Client and the Evaluated Entity

(I) Overview of the Client

Company Name: Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")

Unified Social Credit Code: 91110000710935716X

Registered Address: No. 28 Shuguang Xili, Chaoyang District, Beijing

Legal Representative: Chen Jianguang

Registered Capital: RMB 20,723,619,170

Enterprise Type: Joint Stock Limited Company (Listed, State-Controlled)

Date of Establishment: December 1, 2008

Business Term: December 1, 2008 to No Fixed Term

Business Scope: Domestic and international engineering consulting, survey, design, and general contracting; engineering technology consulting services; leasing of engineering equipment; technology development, technical services, technical exchange, and technology transfer of new materials, new processes, and new products related to engineering and construction; development, production, and sale of equipment required for the metallurgical industry; planning, survey, design, supervision, and services for construction and mechanical & electrical equipment installation projects, as well as related research; investment, processing, utilization, and sale of metallic mineral products; property development and operation; tendering agency; import and export business; sales of mechanical and electrical products, cars, building materials, instruments and meters, and hardware and electrical equipment. (Market entities shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the national and municipal industrial policies.)

(II) Overview of the Evaluated Entity

1. Basic Information of the Enterprise

Company Name: MCC Tongsin Resources Ltd. (Hereinafter referred to as "MCC Tongsin")

English Name: MCC TONGSIN RESOURCES LTD .

Registration Certificate No.: 1380325

Registered Address: British Virgin Islands

Registered Capital: USD 934.60 million

Date of Establishment: January 18, 2007

MCC Tongsin Resources Ltd. is a wholly-owned subsidiary of Metallurgical Corporation of China Ltd., approved by the Ministry of Commerce of the People's Republic of China and incorporated in the British Virgin Islands. It is a key subsidiary under the Fortune Global 500 company - China Minmetals Corporation and Metallurgical Corporation of China Ltd. MCC Tongsin is an international nonferrous mining enterprise focused primarily on the development of mineral resources such as copper, gold, lead, and zinc. Its operations integrate resource exploration, investment and development, production operations, and mining services. Currently, it operates and owns three medium to large-scale copper mines: Saindak, Siaddik, and Aynak in Pakistan and Afghanistan, respectively, and is developing the Asmara Project in Eritrea.

2. Shareholder and Equity Structure of the Evaluated Entity as of the Valuation Date

As of the valuation date of July 31, 2025, MCC Tongsin's equity was 100% held by MCC:

Serial Number	Shareholder Name	Registered Capital (USD 10,000)	Paid-in Capital (USD 10,000)
1	Metallurgical Corporation of China Ltd.	93,460.00	53,004.52
Total	I.	93,460.00	53,004.52

3. Historical Evolution of the Evaluated Entity

In 2006, approved by the Ministry of Commerce of the People's Republic of China, China Metallurgical Group Corporation was permitted to invest and establish the overseas entity MCC Tongsin Resources Ltd. in the British Virgin Islands. The registered capital of the evaluated entity was USD 12.50 million,

100% held by Metallurgical Corporation of China Ltd.

Changes in Paid-in Capital and Registered Capital:

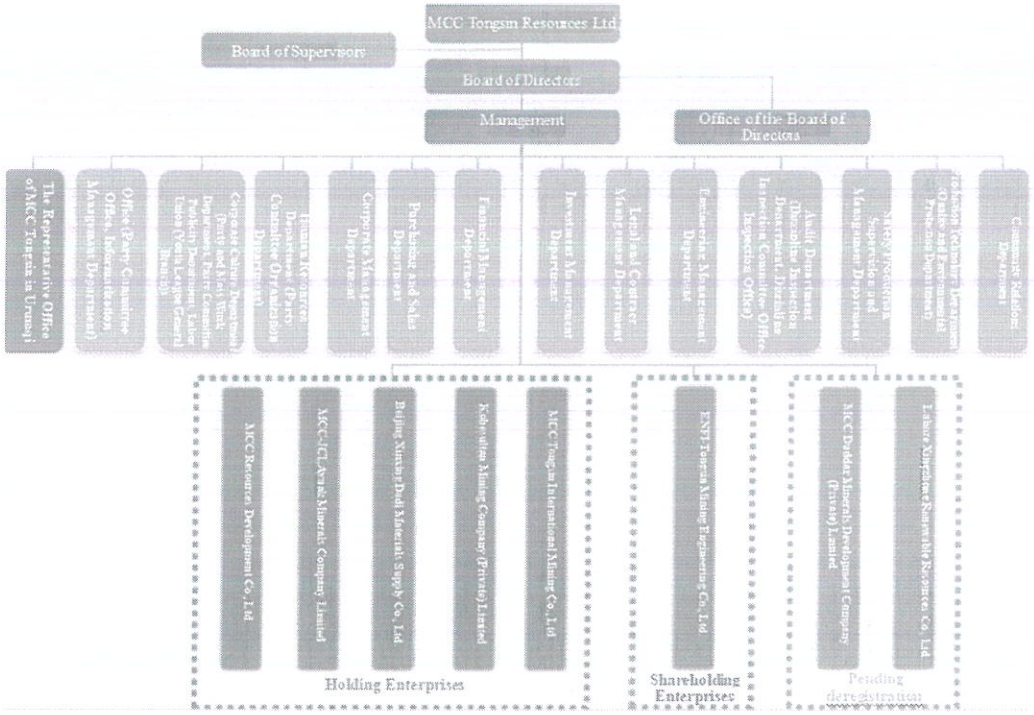
Investment Time	Name of Contributor	Registered Capital (USD 10,000)	Paid-in Capital (USD 10,000)
January 2007	Metallurgical Corporation of China Ltd.	1250.00	1250.00
December 2008	Metallurgical Corporation of China Ltd.		2564.30
December 2009	Metallurgical Corporation of China Ltd.		492.06
February 2, 2010	Metallurgical Corporation of China Ltd.		5000.00
December 17, 2010	Metallurgical Corporation of China Ltd.		881.00
Mar 11, 2011	Metallurgical Corporation of China Ltd.		4902.50
August 3, 2011	Metallurgical Corporation of China Ltd.		523.00
October 1, 2011	Metallurgical Corporation of China Ltd.		7977.90
March 12, 2012	Metallurgical Corporation of China Ltd.		1953.63
Mar 21, 2012	Metallurgical Corporation of China Ltd.		3761.17
Jun 6, 2012	Metallurgical Corporation of China Ltd.		975.00
Jul 12, 2012	Metallurgical Corporation of China Ltd.		701.00
Jul 16, 2013	Metallurgical Corporation of China Ltd.		515.25
December 12, 2013	Metallurgical Corporation of China Ltd.		9220.12
February 13, 2014	Metallurgical Corporation of China Ltd.		1212.00
October 21, 2014	Metallurgical Corporation of China Ltd.		470.64
August 17, 2017	Metallurgical Corporation of China Ltd.		229.50
November 3, 2017	Metallurgical Corporation of China Ltd.		77.25
May 15, 2019	Metallurgical Corporation of China Ltd.		277.50
October 28, 2020	Metallurgical Corporation of China Ltd.		262.50
June 25, 2021	Metallurgical Corporation of China Ltd.		592.50
November 29, 2022	Metallurgical Corporation of China Ltd.		525.00
November 14, 2023	Metallurgical Corporation of China Ltd.		1588.51
December 8, 2023	Metallurgical Corporation of China Ltd.	92210.00	

December 30, 2024	Metallurgical Corporation of China Ltd.		2657.19
January 20, 2025 and January 21, 2025	Metallurgical Corporation of China Ltd.		4395.00
Total		**93,460.00**	**53,004.52**

As of the valuation date of July 31, 2025, the equity structure and contribution details of MCC Tongsin have remained unchanged.

4. **Enterprise Organizational Structure**

The organizational chart of MCC Tongsin is as follows:



5. Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years

As of the current valuation date, according to the audit conducted by Baker Tilly China Certified Public Accountants (Special General Partnership), the parent company statements of MCC Tongsin showed total assets with a book value of RMB 4,591.6303 million, total liabilities with a book value of RMB 266.1950 million, and net assets with a book value of RMB 4,325.4353

million. The consolidated statements showed total assets with a book value of RMB 6,706.7518 million, total liabilities with a book value of RMB 1,608.7742 million, and net assets with a book value of RMB 5,097.9776 million. The primary assets and operating conditions of MCC Tongsin as of the valuation date and for the preceding three years are presented in the following table:

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years (Parent Company Statements)

Monetary Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	346,951.20	387,482.80	423,618.69	459,163.03
Total Liabilities	24,589.43	39,950.39	41,532.13	26,619.50
Net Assets	322,361.76	347,532.41	382,086.57	432,543.53
Item	**2022**	**2023**	**2024**	**January-July 2025**
Operating Revenue	719.21	899.71	8,836.52	1,641.74
Operating Costs	60.91	63.81	1,276.35	39.89
Operating Profit	20,906.90	13,344.84	17,210.07	21,165.18
Total Profit	20,977.27	13,344.32	17,217.04	21,165.18
Net Profit	19,882.77	12,517.26	14,365.03	21,032.23

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years (Consolidated Statements)

Monetary Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	489,723.68	525,312.71	600,191.00	670,675.18
Total Liabilities	112,108.68	120,289.18	146,533.66	160,877.42
Net Assets	377,614.99	405,023.53	453,657.34	509,797.76
Total owner's equity attributable to the parent company	361,210.34	383,818.19	431,450.34	481,639.12
Item	**2022**	**2023**	**2024**	**January-July 2025**
Operating Revenue	150,770.49	178,074.06	246,686.25	179,248.94
Operating Costs	112,301.19	138,341.22	181,578.55	131,813.96
Operating Profit	13,756.49	12,543.60	31,351.00	21,290.93
Total Profit	13,452.37	12,583.69	31,386.48	21,279.92
Net Profit	11,455.71	10,532.55	27,514.72	20,946.01
Net profit attributable to the parent company	11,455.71	10,535.44	27,514.72	20,946.01
Audit situation	Grant Thornton Certified Public Accountants (Special General Partnership) issued audit report No. (ZTS Zi [2023] No. 110C015187)	Baker Tilly China Certified Public Accountants (Special General Partnership) issued audit report No. (TZY Zi [2024] No. 14414)	Baker Tilly China Certified Public Accountants (Special General Partnership) issued audit report No. (TZY Zi [2025] No. 40694)	Baker Tilly China Certified Public Accountants (Special General Partnership) issued audit report No. (TZY Zi [2025] No. 40694)
Type of audit report	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions

(II) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become

users of this Valuation Report.

(III) Relationship between the Client and the Evaluated Entity

The client is the shareholder of the evaluated entity, MCC Tongsin, holding 100% of its equity.

II. Valuation Purpose

According to the *Resolution of the Board of Director of China Minmetals Corporation (2025, 12th Meeting)*, the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. involves the equity of MCC Tongsin Resources Ltd. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to valuate the market value of the shareholders' entire equity interest of MCC Tongsin Resources Ltd. related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. Valuation Object and Scope

(I) Valuation Object

The valuation object is the entire equity value of the shareholder of MCC Tongsin.

(II) Basic Information on Assets and Liabilities Within the Valuation Scope

The valuation scope covers all assets and liabilities of MCC Tongsin as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the parent company statements showed total assets with a book value of RMB 4,591.6303 million, total liabilities with a book value of RMB 266.1950 million, and net assets with a book value of RMB 4,325.4353 million.

The assets within the valuation scope include current assets and non-current assets. Current assets comprise monetary funds, accounts receivable,

funds receivable for centralized management, and other receivables. Non-current assets comprise long-term equity investments, fixed assets, right-of-use assets, and intangible assets.

The liabilities within the valuation scope include current liabilities and non-current liabilities. Current liabilities comprise accounts payable, employee benefits payable, taxes payable, other payables, and non-current liabilities due within one year. Non-current liabilities comprise long-term payables and long-term employee benefits payable.

The book status of assets and liabilities is presented in the following table:

Monetary Unit: RMB 10,000

Item	Book Value
Total Current Assets	197,992.52
Total Non-Current Assets	261,170.51
Including: Long-term Equity Investments	260,339.95
Investment Properties	-
Fixed Assets	602.11
Construction in Progress	-
Intangible Assets	111.65
Including: Intangible Assets - Land Use Rights	-
Other Non-Current Assets	116.80
Total Assets	**459,163.03**
Current Liabilities	20,195.79
Non-Current Liabilities	6,423.72
Total Liabilities	**26,619.50**
Owner's Equity (or Shareholders' Equity)	**432,543.53**

Details of all assets and liabilities within the valuation scope are provided in the attachment to this report, the *Detailed Asset Valuation Schedule*.

The above-mentioned entrusted valuation object and valuation scope are

consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Monetary funds have a book value of RMB 161.9560 million, accounting for 3.53% of the total assets at book value, and consist of cash, bank deposits, and other monetary funds.

2. Accounts receivable have a book value of RMB 4.2640 million, accounting for 0.09% of the total assets at book value, and consist of receivables for goods sold and service fees.

3. Funds receivable for centralized management have a book value of RMB 152.8875 million, accounting for 3.33% of the total assets at book value. These represent funds deposited with the MCC Capital Center.

4. Other receivables have a net book value of RMB 1,660.8177 million, accounting for 36.17% of the total assets at book value. These primarily consist of intercompany balances, security deposits, and petty cash funds.

5. Long-term equity investments have a book value of RMB 2,603.3995 million, accounting for 56.70% of the total assets at book value. These represent equity investments in 6 controlled subsidiaries and 2 equity-accounted associate companies.

6. Fixed assets have a total net book value of RMB 6.0211 million, accounting for 0.13% of the total assets at book value. These primarily consist of buildings and electronic equipment. The buildings comprise 3 properties located in Karachi and Islamabad, all currently in normal use. The electronic equipment includes computers, printers, and other devices purchased for daily operational needs, all maintained and in normal working condition.

7. Right-of-use assets have a book value of RMB 1.1680 million, accounting for 0.03% of the total assets at book value. These arose from the evaluated entity's lease of office space in the MCC Tower.

8. Intangible Assets have a book value of RMB 1.1165 million, accounting for 0.02% of the total assets at book value. These consist of purchased office software by evaluated entity.

(IV) Types and Quantities of Off-Balance-Sheet Assets

None.

(V) Use of Expert Work

1. Use of professional reports

The book value data of various assets and liabilities as of the valuation date in this valuation report are sourced from the standard unmodified opinion audit report TZS Zi [2025] No.40694 issued by Baker Tilly China Certified Public Accountants (Special General Partnership).

2. Reference to Individual Asset Valuation Reports

(1) In this asset valuation, the mining rights listed under Serial Numbers 1, 2, and 3 of the intangible assets - mining rights details table of the subsidiary Kohesultan Mining Company (Private) Limited, reference the valuation conclusions from the *Valuation Report on the Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited Involved in Metallurgical Corporation of China Ltd.'s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.* issued by SinoValue Appraisal Co., Ltd. on December 3, 2025. The overview of this referenced report is as follows:

Item	Content
Report Name	Valuation Report on the Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited Involved in Metallurgical Corporation of China Ltd.'s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.
Report No.	ZSZYKP Zi [2025] No. 010014
Valuation Date	July 31, 2025
Valuation Purpose	As Metallurgical Corporation of China Ltd. intends to transfer equity in MCC Tongsin Resources Ltd., it commissioned SinoValue Assets Appraisal Co., Ltd. to conduct a value valuation of the "Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited" involved in this economic activity, with reference to China's Mining Right Valuation Standards and in compliance with relevant laws and regulations.
Issuance Date of Report	December 3, 2025
Valuation Object	Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited

Recorded Right Holder	Kohesultan Mining Company (Private) Limited
Valuation Method	Discounted cash flow method
Assumptions	(1) Relevant referenced policies, laws, and systems remain as they are without significant change; the referenced social, political, economic environments, as well as mining and processing technologies and conditions, remain as they are without significant change; (2) Compliance with geological principles and economic laws of resources; the reliability of mineral resources within the mining area and their internal/external conditions remain as they are without significant change; (3) Mine construction will be completed and put into operation as per the valuation's established plan on schedule, and the existing mining license/mining lease can be successfully renewed upon expiry, continuing until the end of the assessed service life; (4) Operations will continue legally, based on the production methods, scale, product mix, development technology level, and market supply-demand level determined in the *Feasibility Study Report*; (5) Variations in product prices, costs and expenses, tax rates, and interest rate factors during the mine development revenue period will be within a normal range; (6) The potential impact on the valuation value from possible encumbrances such as mortgages, guarantees, other property rights, any restrictions on ownership, or additional prices potentially offered by special transaction parties has not been considered; (7) No significant impact caused by other force majeure events or unforeseeable factors.
Notes for Special Matters	(1) Pakistan and China have different legal systems concerning mining, and the connotations of related glossaries or expressions also vary. The mining rights lease dated January 27, 2025, numbered "DG(MM)/LSM-ML-22/895-905" issued by the Balochistan Minerals and Mining Department in Pakistan referenced in this valuation report is referred to as a "Mining License" following domestic conventions, corresponding to the ownership of mining rights. Users of this report shall be aware of the many differences between Pakistan's mining policies and those of China, as well as how these differences may affect the understanding and application of this valuation report. (2) [Validity Period of the Mining License] According to the *Mining License* numbered "DG(MM)/LSM-ML-22/895-905" issued by the Balochistan Minerals and Mining Department, the validity period extends until January 26, 2055. The valuation object, the mining rights for the Siaddik Copper Mine in Balochistan Province, Pakistan, has an evaluated revenue period from 2029 to 2081. The conclusions of this valuation are based on the premise that the aforementioned mining license can be legally renewed upon expiry, and no consideration has been given to any potential costs associated with the renewal registration of the mining license upon expiration. (3) [Technical Documentation Standards and Specifications] Among the various professional reports utilized in this valuation report, the technical standards and specifications applied in the preparation of the resource reserve report (*Supplementary Exploration Report*) primarily adhere to China's national standards and specifications. These include the Classifications for Mineral Resources and Mineral Reserves, General Requirements for Mineral Exploration, and Geological Exploration Specifications for Specific Mineral Types. The feasibility study report references relevant Pakistani laws, regulations, and provisions of mining contracts, while its design procedures and specifications comply with the relevant requirements of China and the Chinese nonferrous metals industry. (4) [Mine Construction Schedule] In line with the requirements for enterprise value valuation and referencing the *Feasibility Study Report* prepared by the designer

	ENFI, as well as the mine construction plan formulated based on the company's valuation of the approvals or permits required for the development of the Siaddik Copper Mine and the progress of preliminary preparatory work, this valuation adjusts and determines the mine construction period to be 53 months (including a 17-month preliminary preparation phase). Specifically, from after the valuation date until December 2026 is designated as the mine construction preparation period; January 2027 to December 2028 is the Phase I mine construction period (2 years); and January 2028 to December 2029 is the Phase II mine construction period (2 years), with Phase I and Phase II overlapping by one year. Production will commence upon completion of Phase I construction, with the production period spanning from 2029 to 2081. Due to the complexity of the relevant approval or permitting processes involved in mine construction (including but not limited to feasibility study reports, environmental impact assessments, land acquisition, etc.), there is a possibility that the project may not commence construction as scheduled, which could affect the timely completion and commissioning of the mine. Users of this valuation report are specifically advised to take note of this. (5) [Utilization of Mine Design Documents] The technical and economic parameters selected for this mining rights valuation are primarily based on values from the *Feasibility Study Report for the 60 Million Ton/year Mining and Processing Project of the Siaddik Copper Mine, Pakistan, of Kohesultan Mining Company (Private) Limited* prepared by China ENFI Engineering Corporation in December 2024. If, within the validity period of this valuation report, the mining enterprise prepares updated mine design documents such as a revised *Feasibility Study Report* involving significant adjustments to the corresponding parameters, or if future mine construction designs and actual production indicators differ substantially from the technical and economic parameters used in this valuation, thereby significantly impacting the valuation conclusions, then the conclusions of this valuation shall become invalid, and a new valuation should be commissioned. (6) [Site Due Diligence] Affected by the local security situation, this valuation did not include a site visit to the mineral property corresponding to the valuation object (the mining rights for the Siaddik Copper Mine). We conducted the site investigation work by analyzing valuation materials and conducting interviews with relevant personnel. Based on our analysis, we believe this matter does not significantly impact the reasonableness of the valuation conclusions.
Valuation Value	RMB 7,858.1495 million

(2) In this asset valuation, the valuation values of mining rights listed under Serial Number 1 and capitalized interest listed under Serial Number 2 in the intangible assets - mining rights schedule of the subsidiary MCC-JCL Aynak Minerals Company Limited, in this asset valuation, reference the valuation conclusions from the *Valuation Report on the Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited Involved in Metallurgical Corporation of China Ltd.'s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.* issued by SinoValue

Appraisal Co., Ltd. on December 3, 2025. The overview of this referenced report is as follows:

Item	Content
Report Name	Valuation Report on the Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited Involved in Metallurgical Corporation of China Ltd.'s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.
Report No.	ZSZYKP Zi [2025] No. 010013
Valuation Date	July 31, 2025
Valuation Purpose	As Metallurgical Corporation of China Ltd. intends to transfer equity in MCC Tongsin Resources Ltd., it commissioned SinoValue Assets Appraisal Co., Ltd. to conduct a value valuation of the "Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited" involved in this economic activity, with reference to China's Mining Right Valuation Standards and in compliance with relevant laws and regulations.
Issuance Date of Report	December 3, 2025
Valuation Object	Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited
Recorded Right Holder	MCC-JCL Aynak Minerals Company Limited
Evaluation Method	Discounted cash flow method
Assumptions	(1) Relevant policies, laws, and systems of the project host country remain as they are without significant change; the referenced social, political, economic environments, as well as mining and processing technologies and conditions, remain as they are without significant change; (2) The reliability of mineral resources within the mining area and their internal/external conditions remain as they are without significant change; (3) Mine construction will be completed and put into operation as per the valuation's established production schedule on schedule, and the future mining license can be successfully renewed upon expiry, continuing until the end of the assessed service life; (4) Operations will continue legally, based on the production methods, scale, product mix, development technology level, and market supply-demand level determined in the feasibility study design plan; (5) Variations in product prices, costs and expenses, tax (fee) rates, and interest rate factors during the future mine development revenue period will be within a normal range; (6) The potential impact on the valuation value from possible encumbrances such as mortgages, guarantees, other property rights, any restrictions on ownership, or additional prices potentially offered by special transaction parties has not been considered; (7) No significant impact caused by other force majeure events or unforeseeable factors.
Notes for Special Matters	(1) [Glossary of Mining Rights] Afghanistan and China have different legal systems concerning mining, and the connotations of related terms or expressions also vary. In this valuation report, the document numbered 03/87, "Mining License," issued by the Ministry of Mines and Petroleum of the Islamic Republic of Afghanistan on November 25, 2008, is translated according to domestic convention as a "Mining License" (mining right). Its permitted scope includes both an Exploitation Area and an Exploration Area. It authorizes MCC-JCL Aynak Minerals Company Limited (MJAM) to conduct all necessary mining activities including Exploration, Development, Operation, and Reclamation in accordance with the *Mining Contract*

	for the Aynak Copper Deposit. Users of this report shall be aware of the many differences between Afghanistan's mining policies and those of China, as well as how these differences may affect the understanding and application of this valuation report. (2) [Valuation Scope] The Exploration Area (corresponding to the domestic concept of "exploration rights") permitted under the aforementioned Mining License (No. 03/87 "Mining License") includes the Darband copper occurrence and the Jawkhar copper occurrence, where preliminary geological work has been conducted, covering a total area of 106.332 km2. Given that the level of geological exploration within this Exploration Area does not yet meet development requirements, and the company has not provided relevant geological data satisfying the valuation criteria, it was agreed with the company through consultation that the scope of this valuation is defined as the mining right area specified in the "Mining License" and the retained copper mineral resources as of the valuation date. Consequently, the permitted Exploration Area is not included within the scope of this valuation. (3) [Validity Period of the Mining License] According to the *Mining License* issued by the Afghan Ministry of Mines and Petroleum (effective date September 8, 2008), this license is valid for 30 years and can be renewed every 5 years upon expiry. It is also stipulated that the license may be renewed only if MJAM complies with all provisions of the license, adheres to the Aynak Project Mining Contract, the Afghan Mineral Law, and relevant regulations issued under the Afghan Mineral Law. The valuation object, the mining rights for the Aynak Copper Mine in Afghanistan, has an evaluated revenue period from 2030 to 2070. The conclusions of this valuation are based on the premise that the aforementioned mining license can be legally renewed upon expiry, and no consideration has been given to any potential costs associated with the renewal registration of the mining license upon expiration. (4) [Technical Documentation Standards and Specifications] Among the various professional reports utilized in this valuation report, the technical standards and specifications applied in the preparation of the resource reserve report (Supplementary Exploration Report) primarily adhere to China's national standards and specifications. These include the Classifications for Mineral Resources and Mineral Reserves, General Requirements for Mineral Exploration, and Geological Exploration Specifications for Specific Mineral Types. The feasibility study report complies with relevant Afghan laws, regulations, and provisions of mining contracts, while its design procedures and specifications comply with the relevant requirements of China and the Chinese nonferrous metals industry. (5) [Mining Contract Amendment Negotiations] It is understood that significant changes have occurred in the political environment and project development conditions over the more than ten years since the original MCC-Jiangxi Copper consortium (MCC) signed the *Mining Contract for the Aynak Copper Deposit* with the Afghan Ministry of Mines and Petroleum on May 25, 2008. Consequently, MCC-JCL Aynak Minerals Company Limited (MJAM) sent a letter to the Afghan Ministry of Mines and Petroleum on September 2, 2024, requesting the prompt initiation of negotiations to amend the mining contract. Subsequently, MJAM and the Afghan government engaged in repeated communications regarding issues such as project construction standards, final products, legal stability, and royalty fees. On August 5, 2025, the Afghan Ministry of Mines and Petroleum formally forwarded a resolution from the Economic Committee concerning royalty fee matters, agreeing to MJAM's proposal to postpone the resolution of royalty fees until the operational phase. At this point, all matters regarding the negotiations to amend the *Mining Contract* have concluded. To achieve the project construction objectives, MJAM has applied for the signing of Contract Amendment No. 1, which was agreed upon by both parties in November 2024, to confirm the negotiation outcomes and provide a legal basis for subsequent project advancement. The Afghan Ministry of Mines and Petroleum considers the Economic Committee's resolution regarding the contract's validity period to be ambiguous and requires clarification from the

	Economic Committee before signing can proceed. Currently, they are awaiting clarification from the Afghan Economic Committee on the contract duration issue. (6) [Mine Construction Schedule] This valuation, in accordance with the relevant requirements for enterprise value appraisal and with reference to the *Feasibility Study Report* prepared by the designer ENFI, as well as the mine construction plan formulated based on the company's evaluation of the required approvals or permits for the development of the Aynak Copper Mine and the progress of preliminary preparatory work, has adjusted and determined the mine construction period to be 53 months (including a 5-month preliminary preparation phase), based on the feasibility study's production scheduling plan (mine construction period). Specifically, the period from after the valuation date of this project until December 2025 is designated as the mine construction preparation period (including completing contract amendment negotiations, construction plan approvals, and engineering survey work, etc.). The years 2026 to 2029 constitute the mine construction and implementation period, with project completion and commencement of formal operations scheduled for 2030. Due to the complexity of the contract amendment negotiations and the relevant approval or permitting processes involved in mine construction (including but not limited to feasibility study reports, environmental impact assessments, land acquisition, and approval of cultural heritage protection plans), there is a possibility that the project may not commence construction as scheduled, which could affect the timetable of mine construction. Users of this valuation report are specifically advised to take note of this. (7) [Utilization of Mine Design Documents for Valuation] The technical and economic parameters selected for this assessment primarily reference values from the *Feasibility Study Report for the Aynak Copper Mine Project in Afghanistan of MCC-JCL Aynak Minerals Company Limited* prepared by China ENFI Engineering Corporation in March 2025. If, within the validity period of this valuation report, the mining enterprise commissions the preparation of updated mine design documents such as a revised *Feasibility Study Report* involving significant adjustments to the corresponding parameters, or if future mine construction designs and actual production indicators differ substantially from the technical and economic parameters used in this valuation, thereby significantly impacting the valuation conclusions, then the conclusions of this valuation shall become invalid, and a new value valuation should be commissioned.
Valuation Value	RMB 6,260.015 million

IV. Base of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value.

Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation

follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

V. Valuation Date

The valuation date for this project is July 31, 2025.

The determination of the valuation date primarily considered the implementation date of the economic behavior corresponding to the valuation purpose.

VI. Valuation Bases

The valuation bases followed in this asset valuation primarily include the economic behavior basis, law and regulation bases, asset ownership bases, as well as pricing bases and other reference materials adopted in the valuation and estimation process. Details are as follows:

(I) Economic Behavior Basis

Resolution of the Board of Director of China Minmetals Corporation (2025, 12th Meeting)

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);

2. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);

3. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective

January 1, 2021);

4. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);

5. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);

6. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

7. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);

8. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);

9. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);

10. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);

11. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);

12. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);

13. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);

14. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);

15. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);

16. State Taxation Administration's *Announcement on Issues Concerning the Implementation of Preferential Enterprise Income Tax Policies for High-Tech Enterprises* (Announcement No. 24 of 2017 of the State Taxation Administration);

17. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);

18. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);

19. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);

20. The *Vehicle Purchase Tax Law of the People's Republic of China* (Adopted at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018).

21. *Accounting Standards for Business Enterprises* and other related accounting systems;

22. Relevant laws and regulations of the countries or regions where overseas assets are located;

23. Other relevant laws, regulations, notices, and documents.

(III) Basis of Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);

2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);

3. *Practice Standards for Assets Valuation - Asset Valuation Procedures* (ZPX [2018] No. 36);

4. *Practice Standards for Assets Valuation - Asset Valuation Report* (ZPX [2018] No. 35);

5. *Practice Standards for Assets Valuation -Asset Valuation Engagement Contract* (ZPX [2017] No. 33);

6. *Practice Standards for Assets Valuation - Assets Valuation File* (ZPX [2018] No. 37);

7. *Practice Standards for Assets Valuation - Valuation Method* (ZPX [2019] No. 35);

8. *Practice Standards for Assets Valuation - Enterprise Value* (ZPX [2018] No. 38);

9. *Practice Standards for Assets Valuation - Intangible Assets* (ZPX [2017] No. 37);

10. *Practice Standards for Assets Valuation - Machinery and Equipment* (ZPX [2017] No. 39);

11. *Practice Standards for Assets Valuation - Property* (ZPX [2017] No. 38);

12. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);

13. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);

14. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);

15. *Guidelines for Asset Valuation Reports on State-Owned Enterprises*

(ZPX [2017] No. 42);

(IV) Basis of Asset Ownership

1. Business License for Enterprise Legal Person;

2. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);

3. Property Ownership Certificates;

4. Major asset purchase contracts or vouchers;

5. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;

2. Financial statements and detailed financial ledgers of the valuation date and the previous year;

3. Materials related to financial management, production and operation, and market sales provided by the enterprise;

4. Enterprise revenue, cost, expense analysis, and forecasting materials;

5. The enterprise's fixed asset depreciation method;

6. Enterprise development plans, investment projects, and data on required funds for future years;

7. The enterprise's financial accounting system;

8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;

9. Selected contracts and agreements provided by the enterprise;

10. Data analyzing the enterprise's industry position and market competition;

11. Current national and local tax policies and regulations;

12. Treasury bond yield rates near the valuation date and relevant

indicators of comparable listed companies;

13. Relevant data on A-share listed companies provided by the iFinD software;

14. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;

15. Recent issues of the *UDC United Market Information* near the valuation date;

16. Relevant financial data and other materials provided by the enterprise;

17. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;

18. Recent *Country (Region) Guides for Foreign Investment and Cooperation*;

19. Other information obtained by the valuers through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;

2. *Manual of Common Data and Parameters for Asset Valuation*;

3. Important business contracts provided by the enterprise;

4. Market research data collected by the valuers;

5. Relevant materials from on-site inspections and inquiries/confirmations conducted by the valuers;

6. Relevant materials provided by the enterprise's related departments and personnel;

7. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. Valuation Method

(I) Selection of Valuation Method

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

The Market Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by comparing it with comparable listed companies or comparable transaction cases. The two commonly used specific methods under the Market Approach are the Guideline Public Company Method and the Guideline Transaction Method. Given the current development status of China's property rights market, the specific circumstances of the appraised enterprise, and limitations in market information conditions, it is difficult to find comparable reference entities and transactions in the market similar to the appraised enterprise this time. Therefore, the Market Approach was not adopted for this valuation.

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation assumes the continuance of the valuation object as a going concern. The enterprise can provide complete historical operational and financial data. Management has conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future

earnings and operational risks can be quantified, meeting the basic conditions for applying the income approach.

The Asset-Based Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by evaluating the value of all on-balance-sheet and identifiable off-balance-sheet assets and liabilities of the Evaluated Entity as of the valuation date. Given that for this project, comprehensive information was collected for all assets and liabilities within the entrusted valuation scope, the Asset-Based Approach was deemed appropriate and therefore adopted for this valuation.

Considering factors such as the valuation object, bases of value, and data collection status, both the asset-based approach and the income approach were used for this valuation.

(II) Method for Determining the Valuation Conclusion

Based on the respective outcomes calculated using the two valuation methods, a comprehensive analysis was conducted regarding the completeness of the data used, the reliability of the data, and the reasonableness of the calculated results in the specific application of each method. The result from one of these methods was selected as the final valuation conclusion for this report.

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach

(I) Valuation of Current Assets

1.Monetary Funds

Monetary funds include cash, bank deposits, and other monetary funds.

For the valuation of monetary funds, the valuers, accompanied by the company's cashier, supervised the physical count of cash on hand. The rollback method was used to verify the cash balance at the valuation date, which was

then checked against the cash journal and the general ledger cash account balance as of the valuation date to confirm the valuation value. The valuation value was confirmed as the verified book value. The valuers verified bank deposits by examining bank statements, reconciliation statements, and confirming the bank confirmation letters performed by the audit firm. USD deposits were converted to RMB at the exchange rate on the valuation date, and the valuation value was confirmed as the verified book value. For bank deposits, the valuation value was confirmed as the verified book value. The book value of other monetary funds was checked against supporting balance confirmation documents; the account balances matched, and the valuation value was determined based on the book value.

2.Accounts Receivable

The valuers collected relevant sales contracts, spot-checked supporting vouchers, and reviewed the confirmation letters obtained by the auditors. The book amounts were verified to be correct. For the provision for bad debts, the valuers understood the timing of the receivables' occurrence, the reasons for the arrears, the entity's collection efforts, and the debtors' financial status, creditworthiness, and operational management. After specific analysis, the likelihood of collection for each receivable was judged.

3.Funds Receivable for Centralized Management

For the valuation of funds receivable for centralized management, the valuers spot-checked relevant accounting vouchers and attachments for verification. The book amounts were verified to be correct, and the valuation value was confirmed based on the recoverable status of the amounts.

4.Other Receivables

The valuers spot-checked relevant accounting vouchers and attachments for verification and reviewed the confirmation letters obtained by the auditors. The book amounts were verified to be correct. For the provision for bad debts,

the valuers understood the timing of the receivables' occurrence, the reasons for the arrears, the entity's collection efforts, and the debtors' financial status, creditworthiness, and operational management. After specific analysis, the likelihood of collection for each receivable was judged. Through verification with the evaluated entity, it was determined that the recovery of the provision for bad debts related to other receivables is unlikely. Therefore, with reference to the specific provision for bad debts made, a valuation risk loss was recognized for the valuation. The valuation result was determined as the total amount of receivables minus the valuation risk loss. The provision for bad debts was assessed as zero in accordance with relevant regulations.

(II) Long-term Equity Investments

The valuers first verified the reasons for the formation of the long-term investments, their book value, and their actual status. They reviewed the articles of association and relevant accounting records of the invested entities to determine the authenticity and completeness of the long-term investments. The valuation of the invested entities was conducted based on this verification. Depending on the specific circumstances of each long-term investment, the following appropriate valuation methods were applied:

1. For long-term equity investments with controlling interest within the valuation scope, a comprehensive extended valuation of the invested entity was performed. The results of the valuation were analyzed to determine the final valuation value of the total equity value of the invested entity.

Valuation Value of the Long-term Equity Investment = Shareholders' Entire Equity Valuation Value of the Invested Entity × Shareholding Ratio

For MCC Tongsin International Mining Co., Ltd., which was 100% controlled within the valuation scope, newly established in 2024, and had zero net assets, the valuation conclusion was determined using the statement conversion method.

2. For other investments without controlling interest, but for which the audited financial statements of the invested entity as of the valuation date were obtainable, the valuation value of the long-term equity investment was determined by multiplying the audited book value of the invested entity's owners' equity by the shareholding ratio. For invested entities where there is no controlling interest and which were not audited as of the valuation date, the valuation value of the long-term equity investment is determined by multiplying the owner's equity book value from their financial statements by the shareholding ratio.

(III) Valuation of Buildings

Based on the characteristics of the valuation objects, the bases of value, data collection status, and other relevant conditions, the market approach was determined to be used for the valuation of the buildings in this instance.

The market approach is a method that estimates the value of a subject property by comparing it to similar properties that have been transacted near the valuation date, and making appropriate adjustments to the known prices of these comparable property transactions. According to the principle of substitution, the subject property is placed in the same market and compared with three similar property transaction cases that have the same use value and similar regional environment. By referencing the transaction circumstances, date, regional factors, and individual factors, including the remaining land use term, of these comparable cases, adjustments are made to derive the property value of the valuation object as of the valuation date. Considering that the market surrounding the valuation objects is relatively active and comparable case data is obtainable, the market approach is applicable.

The calculation formula for the market comparison approach is:

Adjusted case price = Case price × a × b × c × d

a = Transaction date adjustment factor

b = Transaction circumstances adjustment factor

c = Regional factor adjustment factor

d = Individual factor adjustment factor

In this formula, the subject property under valuation serves as the comparison benchmark, assigned a value of 100. The market value of the valuation object as of the valuation date is derived after applying these adjustments.

(IV) Valuation of Equipment Assets

Based on the valuation purpose and adhering to the principle of continuous use, the replacement cost method was primarily used for the valuation of equipment assets, considering market prices, the characteristics of the equipment assets, and the data collected.

The equipment assets of MCC Tongsin involved in the valuation consist entirely of electronic equipment, which is currently in normal operation. The formula for the cost approach is as follows:

Valuation Value = Full Replacement Cost× Newness Rate

1. Determination of the Full Replacement Cost

The full replacement cost of the electronic equipment as of the valuation date was determined based on local market information and recent market price data such as the *Electronic Product Price Market Information*. Typically, manufacturers provide free transportation and installation.

Full replacement cost = Purchase price (excluding tax)

2. Determination of the Newness Rate

The Age-Life Method was used to determine the newness rate for electronic equipment and general equipment.

Newness rate = (1 - years in service / economic service life) × 100%

or Newness rate = (Remaining usable life / (years in service + remaining usable life)) × 100%

3. Determination of valuation value

Valuation value = Full replacement cost × comprehensive newness rate

(V) Valuation of Right-of-Use Assets

The right-of-use assets arise from MCC Tongsin's lease of several floors in the MCC Tower, located at No. 28 Shuguang Xili, Chaoyang District, Beijing, which is owned by Metallurgical Corporation of China Ltd. The asset valuation professionals reviewed the original contract and MCC Tongsin's accounting treatment for the valuation result was determined based on the book value.

(VI) Valuation of Intangible Assets - Other Intangible Assets

Purchased software and system-type intangible assets: For the purchased software and systems, the valuers determined the valuation result based on current market prices.

(VII) Valuation of Liabilities

The declared liabilities consist of current liabilities and non-current liabilities. Current liabilities include accounts payable, employee benefits payable, taxes payable, other payables, and non-current liabilities due within one year. Non-current liabilities comprise long-term payables and long-term employee benefits payable. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. Application of specific valuation methods in the income approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent.

(I) Income Basis - Free Cash Flow To the Firm

The type of income used in the valuation is free cash flow to the firm. Free cash flow to the firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) - Capital expenditures - Change in net working capital.

(II) Income Period

The income projection period for the subject entity is considered to be perpetual. Specifically: The first stage is a five-year and one-period detailed forecast period, from August 1, 2025 to December 31, 2030. During this stage, the income status is changing based on the company's operations. The second stage is from January 1, 2031 to perpetuity. During this stage, the enterprise is assumed to maintain a stable level of earnings.

(III) Discount Rate

The discount rate refers to the expected rate of return required by investors based on their analysis of the macro and microeconomic environment within the framework of the specific valuation purpose. It includes the risk-free rate of return and the risk premium rate:

Discount rate = risk-free rate of return + risk premium rate

Wherein: The risk premium rate includes the industry risk premium rate and the company-specific risk premium rate. The company-specific risk premium rate generally includes the industry risk premium rate, operational risk premium rate, financial risk premium rate, and other risk premium rates.

(IV) Valuation Calculation Formula for the Income Approach

The calculation formula for the income approach used for the evaluated entity in this valuation is as follows:

$$P=\sum_{i=1}^{n}\frac{A_i}{(1+R)^i}+\frac{A}{R(1+R)^n}-B+OE$$

Wherein: P -- Valuation result of the total equity value of enterprise shareholders;

Ai -- Free cash flow to the firm for the i-th year in the near-term forecast period with fluctuating returns;

A -- Sustained and stable annual free cash flow to the firm during the stable period;

R -- Discount rate;

n -- Number of years in the forecast period with fluctuating returns;

B -- Present value of the interest-bearing debt as of the valuation date;

OE -- Present value of the sum of non-operating and surplus assets and liabilities as of the valuation date.

X. Implementation Process and Situation of the Valuation Procedures

The valuers conducted on-site valuation work on the assets and liabilities involved in the valuation object from October 10, 2024 to October 25, 2024 (A secondary verification and inspection of the assets subject to valuation was performed by the valuation project team from August 11, 2025 to August 15, 2025). The implementation process of this valuation procedure is described as follows:

(I) Clarification of Basic Matters of the Valuation Engagement

Our company's business responsible person held discussions with the client's representative to clarify important matters including: the client, the evaluated entity, and other users of the asset valuation report as stipulated in the asset valuation engagement contract besides the client; the valuation

purpose; the valuation object and scope; the bases of value; the valuation date; usage restrictions of the valuation report; the submission timeline and method for the valuation report; the total valuation service fee, payment timing, and method; and the client's cooperation and assistance with the valuers' work, along with other important matters requiring clarification.

(II) Signing the Asset Valuation Engagement Contract

Based on the specific circumstances of the valuation engagement, our company conducted a comprehensive analysis and evaluation of professional competence, independence, and business risks. The asset valuation institution then decided whether to accept the valuation engagement. Upon accepting the asset valuation engagement, the asset valuation institution shall enter into an asset valuation engagement contract with the Client in accordance with the law, stipulating the rights, obligations, liability for breach of contract, dispute resolution, and other contents between the asset valuation institution and the Client.

(III) Preparation of the Valuation Plan

After accepting this valuation engagement, our company immediately organized valuers to prepare an asset valuation plan, determining the appropriate level of detail for the plan reasonably. The Asset Valuation Plan included the main processes and timetable for the implementation of the asset valuation engagement, personnel arrangements, and the technical solution.

(IV) On-site Investigation

Based on the specifics of the valuation assignment, we conducted appropriate on-site investigation of the valuation object. This included:

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;

2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via

signature, seal, or other methods permitted by law;

3. The valuers conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.

4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

We collected valuation data according to the specific circumstances of the valuation engagement and promptly supplemented the collection as needed according to the requirements of the valuation engagement and changes encountered during its implementation. The collected data included:

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;

2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;

3. The valuers verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

4. Based on the specific circumstances of the asset valuation engagement, the valuers analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the asset valuation report.

(VI) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.

2. Key tasks for the income approach valuation involved valuers' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the result under the income approach.

3. The preliminary results from the asset-based approach and the income approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to

the Client.

XI. Valuation Assumptions

(I) General Assumptions

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

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

(II) 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 current macroeconomic conditions of China or the countries where the assets are located. 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 MCC Tongsin and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. 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.

11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.

2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

The valuation conclusion in this Report is derived under the above assumptions and limiting conditions. This valuation conclusion shall become invalid if the above assessment assumptions and limiting conditions change significantly.

XII. Evaluation Conclusion

In accordance with relevant national regulations concerning asset valuation, and adhering to the principles of independence, impartiality, and objectivity, along with the necessary valuation procedures, the market value of

the shareholders' entire equity interest of MCC Tongsin Resources Ltd. has been appraised. Based on the above valuation work, the following conclusion is presented:

(I) Asset-Based Approach Calculation Results

In accordance with relevant national asset valuation regulations, and adhering to the principles of independence, objectivity, and impartiality along with the necessary valuation procedures, the market value of the shareholders' entire equity interest of MCC Tongsin Resources Ltd. has been appraised. Based on the above valuation work, the following conclusion is presented:

According to the asset-based approach valuation, the total assets of MCC Tongsin have a book value of RMB 4,591.6303 million and a valuation value of RMB 13,004.7063 million, representing an appreciation of RMB 8,413.0760 million and an appreciation rate of 183.23%. The total liabilities have a book value of RMB 266.1950 million and a valuation value of RMB 266.1950 million, showing no change in value. The net assets have a book value of RMB 4,325.4353 million and a valuation value of RMB 12,738.5113 million, representing an appreciation of RMB 8,413.0760 million and an appreciation rate of 194.50%.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB 10,000

Item		Book Value	Valuation Value	Appreciation/Depreciation	Appreciation/Depreciation Rate %
		A	B	C=B-A	D=C/A×100%
Total Current Assets	1	197,992.52	197,992.52	-	-
Total Non-Current Assets	2	261,170.51	1,102,478.11	841,307.60	322.13
Including: Long-term Equity Investments	3	260,339.95	1,099,029.51	838,689.55	322.15
Investment Properties	4	-	-	-	
Fixed Assets	5	602.11	3,188.27	2,586.16	429.52

Construction in Progress	6	-	-	-	
Intangible Assets	7	111.65	143.53	31.88	28.56
Including: Intangible Assets - Land Use Rights	8	-	-	-	
Other Non-Current Assets	9	116.80	116.80	-	-
Total Assets	10	**459,163.03**	**1,300,470.63**	**841,307.60**	**183.23**
Current Liabilities	11	20,195.79	20,195.79	-	-
Non-Current Liabilities	12	6,423.72	6,423.72	-	-
Total Liabilities	13	**26,619.50**	**26,619.50**	**-**	**-**
Net Assets	14	**432,543.53**	**1,273,851.13**	**841,307.60**	**194.50**

(II) Income Approach Calculation Results

The valuation determined that, as of the valuation date, the shareholders' entire equity value of MCC Tongsin, assessed using the income approach, is RMB 12,240.7206 million. Compared to the company's book value of net assets of RMB 4,325.4353 million, this represents an appreciation of RMB 7,915.2853 million and an appreciation rate of 182.99%.

(III) Analysis of the Results from the Two Methods

The valuation results above indicate that the value derived from the income approach is RMB 497.7907 million lower than that from the asset-based approach, representing a difference of 3.91%. A detailed analysis of the reliability and reasonableness of the valuation results from the two methods is provided below.

During the asset-based approach valuation calculation, the value of factors crucial to the enterprise's production and operation such as human resources, R&D capability, management team, and resource background could not be captured. Compared to the income approach, the perspective and pathway of the asset-based approach are indirect. When assessing enterprise value, it can easily overlook the comprehensive profit-making ability and

synergistic value effects resulting from the combination of all assets.

The income approach is grounded in assessing the asset's profit-generating capacity. It capitalizes or discounts the expected future earnings of the appraised enterprise to determine the valuation object value, reflecting a rationale based on earning prediction. The valuation result from the income approach incorporates the value of elements like human resources, R&D capability, management team, and resource background - values not captured by the asset-based approach. Consequently, the valuation result from the income approach is deemed more reasonable.

In summary, we consider the valuation result from the income approach to be more reasonable and to more objectively reflect the market value of the evaluated entity. Therefore, this report adopts the result from the income approach as the final valuation conclusion.

(IV) Valuation Conclusion

Under the assumptions set forth in this report, the shareholders' entire equity value of MCC Tongsin as of the valuation date - July 31, 2025, is RMB 12,240.7206 million (In words: RMB Twelve Billion Two Hundred and Forty Million Seven Hundred and Twenty Thousand Six Hundred Only). Compared to the net asset book value of RMB 4,325.4353 million under the MCC Tongsin parent company statements, this represents a valuation appreciation of RMB 7,915.2853 million, an appreciation rate of 182.99%. Compared to the net asset book value attributable to the parent company of RMB 4,816.3912 million under the MCC Tongsin consolidated statements, this represents a valuation appreciation of RMB 7,424.3294 million, an appreciation rate of 154.15%.

XIII. Notes for Special Matters

Users of this Valuation Report shall pay attention to the potential impact of the following special matters on the valuation conclusion and give them full

consideration when making decisions based on this report.

(I) Neither the asset valuation institution nor the valuers shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the valuers have performed their valuation procedures.

(II) This report is based on information required for the valuation provided by MCC Tongsin Resources Ltd. and its subsidiaries, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.

(III) The valuers conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this valuation report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) Notes on Limitations in valuation Procedures

During the valuation process, while inspecting the equipment, the valuation of the equipment's condition relied primarily on the valuers' visual observations, recent inspection data provided by the appraised enterprise, and inquiries made to relevant operators, due to limitations in testing methods and the fact that some equipment was in operation.

(V) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VI) Other Key Information Not Provided by the Client

None.

(VII) Matters Related to Mortgages and Guarantees

None.

(VIII) Incomplete Property Ownership Information, Existence of Defects Therein, and Other Situations Requiring Explanation

1. Explanation from MCC Tongsin Regarding Buildings

Among the buildings of MCC Tongsin Resources Ltd., the 2 properties in Karachi do not require property ownership certificates with a historical cost of RMB 16,326,491.59 and a net book value of RMB 5,537,469.82. For this valuation, the site area for structures not requiring property ownership certificates was determined based on the asset-based approach declaration form submitted by the enterprise.

(IX) Special Matters Explanation for Subsidiaries

1. MCC Resources Development Co., Ltd.

(1) The buildings of MCC Resources Development Co., Ltd. do not have property ownership certificates. For the valuation, the floor area for buildings not yet certified was determined primarily based on ownership confirmation documents and completion data provided by the evaluated entity, combined with on-site inspection by the asset valuation professionals. However, the final area shall be subject to the area registered on the property ownership certificate issued by the relevant property management authority. MCC Resources Development Co., Ltd. has committed that the ownership of these structures belongs to MCC Resources Development Co., Ltd., the ownership is clear and undisputed, and that MCC Resources Development Co., Ltd. will bear all legal liabilities should any legal disputes arise regarding the property ownership of the buildings within the valuation scope. This valuation did not consider the potential impact of ownership defects on the valuation conclusion.

(2) Loan Matter

MCC Resources Development Co., Ltd. entered into an *Internal Loan Agreement* (Contract No.: MCCJJK20020001) with its parent company, MCC Tongsin Resources Ltd., in November 2022. The contract stipulates the following: Loan purpose: Saindak Copper-gold Mine new 2.75 million ton/year concentrator project; Loan amount: Ceiling of USD 90 million; Loan term: 10 years in total, commencing from the actual disbursement date; Interest rate type: Fixed rate of 4.9%.

2. MCC-JCL Aynak Minerals Company Limited

Major Lease Matters

S/N	Lessee	Lessor	Lease Item	Lease Location	Leased Area (m^2)	Lease Term	Lease Amount
1	MCC-JCL Aynak Minerals Company Limited	Beijing Future Science City Baochang Property Co., Ltd.	Office buildings	Unit 702-1, 7F, Building 2#, Poly Future Metropolitan, Future Science City, Changping District, Beijing	400.00	2024.9.10 -2029.9.9	Lease term of five years; Monthly rent of RMB 25,280.00 (including tax) for the first three years, RMB 26,544 (including tax) for the subsequent two years.

3. Kohesultan Mining Company (Private) Limited

Lease details are as follows:

S/N	Leased Address	Leased Area m^2	Lease Term	Lease Amount (RMB)	Lessor
1	Office building: 7F, Building #2 (Unit 702-2)	373.1	2024/9/10-2029/9/9	September 10, 2024 - September 9, 2027: monthly rent of RMB 23,579.9 (including tax); September 10, 2027 - September 9, 2029: monthly rent of RMB 24,758.9 (including tax)	Beijing Future Science City Baochang Property Co., Ltd.

Furthermore, no material contracts or litigation matters that could affect the valuation were identified regarding the evaluated entity; nor were there any other material matters such as mortgages, pledges, guarantees, other contingent liabilities, or contingent assets that could affect the valuation. This valuation did not consider the impact of the aforementioned matters on the appraisal

conclusion.

4. Beijing Xinxing Dadi Materials Supply Co., Ltd.

(1) Matters requiring disclosure identified during asset ownership verification

According to the *Property Ownership Certificate* (WFQZSYBKQ Zi No. 2011422185), the recorded rights holder is Beijing Xinxing Dadi Materials Supply Co., Ltd. The planned use of the property is residential, and the recorded property type is limited property.

(2) Other verification conclusions requiring special explanation

Beijing Xinxing Dadi Materials Supply Co., Ltd. has signed a *House Lease Contract* (MCC Group Office Contract [2022] No. 22) with China Metallurgical Group Corporation for use as office space.

(IX) The exchange rates used in the valuation are consistent with those used in the audit report, both being the unified exchange rates used for the financial accounting of the evaluated entity. The USD to RMB exchange rate at the valuation date was 1:7.1494, and the average USD to RMB exchange rate for the period January-July 2025 was 1:7.1782.

(X) Matters occurring between the valuation date and the asset valuation report date that could potentially impact the valuation conclusion.

If the quantity of assets or pricing standards change after the valuation date, affecting the valuation conclusion, this valuation conclusion cannot be used directly and must be adjusted or a re-valuation must be conducted.

(XI) Defects in the economic behavior corresponding to this asset valuation that could have a significant impact on the valuation conclusion.

None.

Users of the Asset Valuation Report shall note the impact of the above special matters on the valuation conclusion.

XIV. Notes on Usage Restrictions for the Assessment Report

(I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.

(II) If the client or other users of this asset valuation report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its valuers shall bear any responsibility.

(III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

(IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

(V) This report must, in accordance with the relevant provisions governing state-owned assets, obtain asset valuation report approval or filing from the competent authority with the power of verification or filing before it acquires the legally prescribed effect and can be formally used.

(VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XV. Date of the Asset Valuation Report

Date of this report: December 3, 2025.

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Legal representative of the valuation institution:

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正式执业会员
资产评估师
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SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Asset Valuation Report
Supplementary Information

on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd. Involved in the Metallurgical Corporation of China Ltd.'s Proposed Transfer of Subsidiary Equity

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

Summary of Valuation Assumptions and Calculation Process of Valuation of the Shareholders' Total Equity Value of MCC Tongsin Resources Ltd. via the Income Approach

I. Introduction to the Application of the Income Approach

The income approach refers to a general term for various valuation methods that judge the value of an asset by estimating the present value of its expected future income. It follows the idea of deriving the principal from profits in asset valuation that is, adopting the approaches and methods of capitalization and discounting to judge and estimate the value of an asset.

II. Base of Value and Its Definition

The base of value in asset valuation refers to the value attribute and its form of expression embodied in the base of value. Based on the valuation purpose, the base of value is determined to be the base of value for the market.

Market value in asset valuation refers to the estimated amount of value of an asset in a normal and fair transaction on the valuation date, when a voluntary buyer and a voluntary seller act rationally and without any compulsion or coercion respectively.

III. Valuation Assumptions of the Income Approach

(I) General Assumptions

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

4. Going Concern Assumption for the Enterprise: The operating conditions of the production and operation business of the evaluated entity will not undergo significant changes during the foreseeable operating period.

(II) 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 macroeconomic conditions of China and or the countries where the subject assets are located. 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 MCC Tongsin will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. Assume that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.

11. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

IV. Specific Form of the Income Approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent.

(I) Income Basis - Free Cash Flow To the Firm

The type of income used in the valuation is free cash flow to the firm. Free cash flow to the firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) - Capital expenditures - Change in net working capital.

(II) Discount Rate

The discount rate refers to the expected rate of return required by investors based on their analysis of the macro and microeconomic environment within the framework of the specific valuation purpose. It includes the risk-free rate of return and the risk premium rate:

Discount rate = risk-free rate of return + risk premium rate

Wherein: The risk premium rate includes the industry risk premium rate and the company-specific risk premium rate. The company-specific risk premium rate generally includes the industry risk premium rate, operational risk premium rate, financial risk premium rate, and other risk premium rates.

(III) Income Period

The income projection period for the subject entity is considered to be perpetual. Specifically: The first stage is a five-year and one-period detailed forecast period, from August 1, 2025 to December 31, 2030. During this stage, the income status is changing based on the company's operations. The second stage is from January 1, 2031 to perpetuity. During this stage, the enterprise is assumed to maintain a stable level of earnings.

(IV) Valuation Approach

In light of the organizational structure of the valuation object, the valuation approach adopted in this valuation is as follows:

1. Divide the overall assets of MCC Tongsin into equity assets within the scope of the income approach calculation and surplus assets;

2. Apply the income approach to valuate the equity assets within the scope of the income approach calculation;

3. Equity assets outside the scope of the income approach calculation are surplus assets. Surplus assets mainly include:

(1) Surplus cash;

(2) Idle assets or non-operating assets;

(3) Enterprise assets for which the predictability of future net income generation is poor and thus cannot be included in the scope of the income approach calculation;

4. Valuate the surplus assets using the following methods respectively:

(1) Valuate surplus cash based on the calculated amount of surplus cash;

(2) Valuate idle physical assets and non-operating assets using the cost approach or market approach.

5. Sum up the income approach valuation result of equity assets within the scope of the income approach calculation and the valuation result of surplus assets, so as to derive the income approach valuation result of the shareholders' total equity interests of MCC Tongsin.

(V) Valuation Calculation Formula for the Income Approach

The calculation formula for the Income Approach used in this valuation is as follows:

$$P = \sum_{i=1}^{n} \frac{A_i}{(1+R)^i} + \frac{A}{R(1+R)^n} - B + OE$$

Wherein: P = Total equity valuation value of the enterprise's shareholders;

Ai = Free Cash Flow to the Firm during the detailed forecast period;

A = Free Cash Flow to the Firm during the perpetual period following the detailed forecast period;

R -- Discount rate;

n = Detailed forecast period;

B = Present value of the interest-bearing debt as of the valuation date;

OE = Present value of the sum of surplus assets, non-operating assets and liabilities as of the valuation date.

V. Income Approach Valuation Process and Results

MCC Tongsin has forecasted the main aspects of its operations from August 1, 2025 to December 31, 2030, completed and provided the *Income Approach Valuation Declaration Form* to the valuation institution. The valuation institution conducted independent analysis and judgment on the future forecasts provided by the enterprise, and carried out the forecast of the enterprise's future operations and income in combination with the on-site inspections of the enterprise by asset valuation professionals.

(I) Forecast of the Enterprise's Operating Income

1. Analysis of the Enterprise's Development Status

(1) Main Business and Operating Conditions

MCC Tongsin has no main business of its own, and is mainly engaged in the investment management of various subsidiaries. The status of the major subsidiaries of MCC Tongsin is as follows: The subsidiary MCC Resources Development Co., Ltd. is responsible for the production, management of the Saindak Copper-gold Mine invested in Pakistan and the investment business of other mineral resources; The subsidiary Kohesultan Mining Company (Private) Limited is responsible for the development and construction of the Siaddik Copper Mine project in Pakistan; The subsidiary MCC-JCL Aynak Minerals Company Limited is responsible for the development and construction of the Aynak Copper Mine project in Afghanistan; The subsidiary Beijing Xinxing Dadi Materials Supply Co., Ltd. is responsible for the supply and trade business of equipment and materials for overseas projects and some other trade businesses.

(2) Advantage Analysis and Future Development:

MCC Tongsin is a mixed-type company integrating development, investment, construction, production operation and management with copper-gold mines as the main target, and belongs to the resource development sector of China Metallurgical Group Corporation (MCC). The main functions of MCC Tongsin are to manage and operate the Saindak Copper-Gold Mine in Pakistan, the development and construction

of the Aynak Copper Mine project and the Siaddik Copper Mine project in Afghanistan, as well as the development and investment business of other mineral resources. At present, the Saindak Copper-Gold Mine project, which has been in operation for more than 20 years, is operating well and has strong profitability; The under-construction Aynak Copper Mine project and Siaddik Copper Mine project are rich in resources, and the preliminary work is being gradually promoted.

2. Forecast of Operating Income

MCC Tongsin acts as a management platform, mainly generating profits from investment income through its invested subsidiaries and having no main business income; In addition to investment income, MCC Tongsin generates income by providing corresponding long-term and short-term services through signing various service contracts with external parties, such as consulting services, asset leasing, management services, mining stripping services, and maintenance services. For this valuation, the enterprise forecasts future income based on the contents of existing contracts, classifying various service contracts, leasing contracts and other contracts in hand into long-term and short-term execution ones. The gross profit margins of the company's consulting services and property leasing businesses are relatively stable.

In 2025, MCC Tongsin's operating revenue primarily comes from three short-term contracts (with execution periods covering 2024 to 2025) as well as two long-term contracts for consulting services and asset leasing (which are expected to be renewable on an ongoing basis). Based on the aforementioned contract arrangements, the projected operating income for August-December 2025 is RMB 8.2094 million. From 2026 onwards, affected by the expiration of the short-term contracts, the projected operating income is expected to decrease to RMB 3.2016 million and remain stable thereafter.

(II) Forecast of Operating Costs

As a normally operating enterprise, the various operating costs of MCC Tongsin corresponding to the respective incomes have been generally stable in recent years. For this valuation, the future operating costs are forecasted mainly with reference to

the actual costs and expenses audited for the three years and one period prior to the valuation date of the enterprise.

The gross profit margins of the company's consulting services and property leasing businesses are relatively stable. The costs of other businesses during the forecast period are primarily projected based on the gross profit levels of the consulting services and property leasing businesses over the past three years. During the forecast period, the gross profit of the company's other businesses remains relatively stable.

(III) Forecast of Taxes and Surcharges

MCC Tongsin is registered and established overseas, involving no taxes and surcharges, so no forecast is made for this item in this valuation.

(IV) Forecast of the Enterprise's Period Expenses

Period expenses include sales expenses, management expenses and financial expenses.

1. Sales Expenses: Including consulting fees, travel expenses, business entertainment expenses and others. For this valuation, the enterprise determines the sales expenses by combining the historical occurrence situation, the current execution situation of business contracts and the future planning.

2. Management Expenses include employee compensation, depreciation, office expenses, property management fees, intermediary agency fees, and other items. For this valuation, the projection is made based on historical occurrences and the enterprise's future plans. Among these, employee compensation accounts for over 90% of the management expenses. The projected employee compensation for August-December 2025 is mainly determined based on the enterprise's full-year 2025 budgeted employee compensation minus the amount accrued in the previous periods. Since MCC Tongsin has accrued the majority of the full-year employee compensation in June 2025, the projected employee compensation for the forecast period of August-December 2025 is relatively low. Therefore, the projected management expenses for August-December 2025 are only RMB 4.0659 million. From 2026 onwards, considering that the personnel scale will remain basically stable, the projected employee compensation in management expenses is basically consistent with the full-year 2025 data.Therefore, the scale of projected management expenses

for 2026 and subsequent years increases significantly compared with that of August-December 2025.

3. Financial Expenses: Including interest income, handling fee expenditures, exchange gains and losses, etc. Since the enterprise's surplus monetary funds have been taken into account, interest income is not considered repeatedly; handling fee expenditures and exchange gains and losses are not forecasted.

(V) Forecast of Non-operating Income and Expenses

Non-operating income and expenses mainly include other gains and losses from the damage and disposal of fixed assets, which occur occasionally and are irregular expenditures, so no forecast is made for this item in this valuation.

(VI) Forecast of Income Tax Expenses

The total profit for each future period is calculated through the above forecasts, and the estimated net profit for each future year is obtained by subtracting the enterprise income tax from the total profit for each year.

(VII) Forecast of the Enterprise's Net Profit

The total profit for each future period is calculated through the above forecasts, and the estimated net profit for each future year is obtained by subtracting the enterprise income tax from the total profit for each year.

(VIII) Forecast of Capital Expenditures

Capital expenditures refer to the expenditures incurred by an enterprise for the purchase and construction of fixed assets or other non-current assets to maintain its operations. The fixed assets of MCC Tongsin are mainly electronic equipment, and the intangible assets are mainly office software. The company's purchase of assets in future years is for maintaining the existing operating scale and replacing the enterprise's assets.

(IX) Forecast of Fixed Asset Depreciation and Expense Amortization

The fixed asset construction projects of MCC Tongsin are mainly electronic equipment, and the intangible assets are mainly office software. In this valuation, the forecast of the company's fixed asset depreciation and intangible asset amortization for future years is made on the basis of estimating the depreciation and amortization amount for the future operating period according to the company's fixed asset depreciation and amortization policy, using the asset book original value as of the

valuation date, the expected service life, the weighted depreciation and amortization rate and other factors.

(X) Forecast of Working Capital

Working capital refers to operating funds occupied, which is the difference between operating current assets and operating current liabilities. The increase in working capital refers to the cash occupied by providing commercial credit, the cash maintained for normal operations, accounts receivable and payable, etc., as the company's business activities change; it also includes a small amount of other receivables and payables necessary for operations. The forecast focuses on sensitive items, which refer to asset and liability items that change directly with sales volume, including accounts receivable, accounts payable, taxes payable, employee benefits payable, etc. Usually, the vast majority of the accounting contents of other receivables and other payables are abnormal operating transactions; The occurrence and the amount of such items are not strongly correlated with the scale of business activities, so they are set to remain unchanged in the forecast. Therefore, in principle, the calculation of the increase in working capital only needs to consider the main factors such as the cash maintained for normal operations, accounts receivable and accounts payable. For the amounts of these items in subsequent years, the enterprise has also made forecasts based on changes in the scale of operations and combined with past experience.

The increase in working capital refers to the additional operating capital (a negative value indicates a decrease) that needs to be invested in accordance with the enterprise's forecasted business objectives. The increase in working capital as defined in this report is: Increase in working capital = Current period working capital - Previous period working capital.

(XI) Free Cash Flow

The forecasted free cash flow to the firm of MCC Tongsin for the forecast period is calculated by adding non-cash costs and expenses such as fixed asset depreciation and intangible asset amortization to the net profit, plus financial expenses such as interest paid to creditors (after deducting tax impact, which falls within the scope of

free cash flow), minus the change in net working capital, and minus capital expenditures.

(XII) Determination of the Discount Rate

The discount rate refers to the expected rate of return required by investors based on their analysis of the macro and microeconomic environment within the framework of the specific valuation purpose. It includes the risk-free rate of return and the risk premium rate:

Discount rate = risk-free rate of return + risk premium rate

Wherein: The risk premium rate includes the industry risk premium rate and the company-specific risk premium rate. The company-specific risk premium rate generally includes the industry risk premium rate, operational risk premium rate, financial risk premium rate, and other risk premium rates.

① Risk-free Rate of Return

The risk-free rate of return refers to the expected rate of return of investors on risk-free assets. Since the evaluated entity is a BVI company registered in the British Virgin Islands, and considering that the evaluated entity is a Chinese-funded holding enterprise which has no main business of its own but whose subsidiaries' raw materials and products are mainly targeted at the Chinese market, the selection of relevant parameters in this valuation refers to the relevant data of the Chinese capital market. For this project, the yield to maturity of Chinese treasury bonds with a remaining term of more than ten years as of the valuation date of July 31, 2025 is adopted as the risk-free rate of return, with a value of 2.84% (retained to two decimal places).

② Forecast of the Industry Risk Premium Rate

MCC Tongsin is registered overseas, and its major subsidiaries are all mining enterprises engaged in mining and smelting, developing copper ores. On the whole, the long-term prospect of copper demand is promising due to the global promotion of clean energy technology development and decarbonization plans and the advancement of green transition; At the same time, as the subsidiaries are all overseas mineral development projects, coupled with the current global economic instability and the

risks of conflicts and confrontations brought about by various geopolitical factors, there are many uncertain influencing factors in the future. However, considering the increasing scarcity of copper resources, the industry risk premium rate is set at a moderate level of 2.0% on the whole.

③ Operational Risk Premium Rate

The operational risk of an enterprise mainly stems from external competition, internal management, etc. MCC Tongsin has no main business of its own; as a management platform, its main income comes from investment income from subsidiaries, and there is basically no external competition in its own operations. Considering that the major subsidiaries managed by MCC Tongsin are all located in underdeveloped countries such as Pakistan and Afghanistan, where the legal environment is poor and there are factors such as terrorist attacks and social unrest, the operational risk premium rate is estimated at 3.0% after comprehensive consideration of the operational risks.

④ Financial Risk Premium Rate

MCC Tongsin has experienced fluctuations in recent income, with relatively stable costs, no advance payments and low capital pressure. The operational risk premium rate is estimated at 1.0% after comprehensive consideration of the operational risks.

⑤ Other Risk Premium Rates

The other risk premium rates mainly consider whether the enterprise's forecast of future income for this valuation is prudent, neutral or optimistic, with a value generally ranging from -1% to 1%. The enterprise's forecast of future income is completely based on its existing assets and operating scale and the forecast is made using a basically fixed income and cost model corresponding to existing contracts. Combined with the actual operating conditions of the enterprise, we believe that the future forecast is a neutral one, so the other risk premium rates are set at 0%.

⑥ Determination of the Discount Rate

Annual discount rate =2.84% + 1.5% + 3.0% + 1.0%+0%=8.34%

(XIII) Discount Calculation of Free Cash Flow to the Firm

1. Estimation of the Value of Operating Assets

Through the above estimation, asset valuation professionals forecasted the free cash flow to the firm for the next 5 years. The discount factors for each period used in the following calculation are as follows:

Discount factor for August-December 2025 = 1 ÷ (1 + annual discount rate) $^{(5/12/2)}$

Discount factor for 2026 (considering mid-year adjustment) = 1 ÷ (1 + annual discount rate) $^{((5+6)/12)}$

For 2027 and subsequent years, the current discount factor can be calculated by dividing the discount factor of the previous period by (1 + the annual discount rate of the current year).

The current income multiplied by the current discount factor is converted into present value. Asset valuation professionals reasonably assume that the free cash flow to the firm will remain stable from 2031 onwards and the enterprise will operate indefinitely. The annual free cash flow to the firm can be capitalized into the value as of mid-2030 using the discount rate, and then converted into the value as of the valuation date. By summing up the free cash flows to the firm converted to the valuation date, the valuation value of the enterprise's operating assets within the scope of the income approach calculation for MCC Tongsin derived from the income approach valuation is RMB -543.9077 million.

2. Surplus and Non-operating Assets and Liabilities

The overall income approach valuation of MCC Tongsin is mainly conducted based on the parent company's statement caliber. The equity of subsidiaries in which it has invested, as well as assets and liabilities not included in the income approach valuation model, are considered as surplus and non-operating assets and liabilities. The valuation value of such assets and liabilities through calculation is RMB 12,784.6284 million.

The most significant item in the surplus and non-operating assets and liabilities is the value of long-term equity investments, amounting to RMB 10,990.2951 million, with an appraisal increment of RMB 8,386.8955 million. The primary reason for the increase in the value of long-term equity investments is that the mining rights of overseas copper mining enterprises held by MCC Tongxin are evaluated using the discounted cash flow method. Due to the sustained rise in international copper prices

in recent years, the projected profitability of these enterprises has improved, leading to a substantial appreciation in the valuation of the mining rights.

3 Income Approach Valuation Result

The shareholders' total equity value of MCC Tongsin derived from the income approach valuation is obtained by taking the value of operating assets and adding back the surplus assets and liabilities.

Income Approach Calculation Sheet for the Valuation of Shareholders' Total Equity Value

Monetary Unit: RMB 10,000

Project / Year	August - December 2025	2026	2027	2028	2029	2030	Stabilization Period	Remarks
I. Operating income	820.94	320.16	320.16	320.16	320.16	320.16	320.16	
Wherein: Main business income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (I) Forecast of Operating Revenue* for detailed calculation logic
Other business income	820.94	320.16	320.16	320.16	320.16	320.16	320.16	
II. Operating costs	120.00	62.48	62.48	62.48	62.48	62.48	62.48	
Wherein: Main business costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (II) Forecast of Operating Cost* for detailed calculation logic
Other business costs	120.00	62.48	62.48	62.48	62.48	62.48	62.48	
Taxes and surcharges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to *V. (III) Forecast of Taxes and Surcharges* for detailed calculation logic
Sales expenses	40.00	200.00	200.00	200.00	200.00	200.00	200.00	Refer to *V. (IV) Forecast of the Enterprise's Period Expenses* for detailed calculation logic
Management expenses	406.59	4,906.50	4,721.33	4,705.47	4,683.60	4,677.60	4,677.60	
Financial expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
III. Operating Profit	**254.35**	**-4,848.82**	**-4,663.65**	**-4,647.79**	**-4,625.92**	**-4,619.92**	**-4,619.92**	
IV. Total Profit	**254.35**	**-4,848.82**	**-4,663.65**	**-4,647.79**	**-4,625.92**	**-4,619.92**	**-4,619.92**	
Minus: Income tax expenses	113.31	3.45	3.45	3.45	3.45	3.45	3.45	Refer to *V. (VI) Forecast of Income Tax Expense* for detailed calculation logic
V. Net Profit	**141.04**	**-4,852.27**	**-4,667.10**	**-4,651.24**	**-4,629.37**	**-4,623.37**	**-4,623.37**	
Plus: Depreciation	21.64	79.88	79.10	78.75	78.58	72.58	72.58	Refer to *V. (IX) Forecast of Fixed Asset Depreciation and Expense Amortization* for detailed calculation logic
Amortization	15.51	37.22	37.22	21.71	0.00	0.00	0.00	
Minus: Additional working capital investment	-1,335.38	207.06	-15.37	0.00	0.00	0.00	0.00	Refer to *V. (X) Forecast of Working Capital* for detailed calculation logic
Minus: Capital expenses	0.00	0.00	0.00	0.00	10.00	0.00	72.58	Refer to *V. (VIII) Forecast of Capital Expenditures* for detailed calculation logic
VI. Free Cash Flow to the Firm	**1,513.57**	**-4,942.23**	**-4,535.41**	**-4,550.78**	**-4,560.79**	**-4,550.79**	**-4,623.37**	
1. Annual discount rates	8.34%	8.34%	8.34%	8.34%	8.34%	8.34%	8.34%	Refer to *V. (XII) Determination of Discount Rate* for the

								selection of the discount rate
2. Discount period	0.2083	0.9167	1.9167	2.9167	3.9167	4.9167		
3. Discount factor	0.9835	0.9292	0.8577	0.7917	0.7308	0.6745	0.6226	
4. Present value of free cash flow	1,488.60	-4,592.32	-3,890.02	-3,602.85	-3,333.03	-3,069.51	-37,391.64	
5. Cumulative present value of free cash flow	1,488.60	-3,103.72	-6,993.74	-10,596.59	-13,929.62	-16,999.13	-54,390.77	
6. Discounted value of free cash flow to the firm	-54,390.77		7. Plus: Enterprise redundant and non-operating assets		1,278,462.83			
8.Interest-bearing liabilities	0.00		9. Total equity value of the enterprise's shareholders		**1,224,072.06**			

Free Cash Flow to the Firm in the above table refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

4.The shareholders' total equity value of MCC Tongsin, as of the valuation dates (July 31, 2025), determined using the income approach, and is RMB 12,240.7206 million.

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Asset Appraiser:

正式执业会员
资产评估师
[illegible]
[illegible]

Asset Appraiser:

正式执业会员
资产评估师
杨绪可
11180235

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

This Asset Valuation Report is prepared in accordance with the Chinese Valuation Standards

Asset Valuation Report

on the Shareholders' Total Equity Value of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010158

(This Valuation Report comprises 1 volume. This is Volume 1.)

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Contents

CONTENTS ..... - 2 -
STATEMENT ..... - 3 -
SUMMARY ..... - 5 -
TEXT ..... - 8 -
I. Overview of the Client and the Evaluated Entity ..... - 8 -
II. Valuation Purpose ..... - 13 -
III. Valuation Object and Scope ..... - 13 -
IV. Base of Value and Its Definition ..... - 21 -
V. Valuation Date ..... - 21 -
VI. Valuation Bases ..... - 22 -
VII. Valuation Method ..... - 28 -
VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach ..... - 29 -
IX. Application of specific valuation methods in the income approach ..... - 48 -
X. Implementation Process and Situation of the Valuation Procedures ..... - 50 -
XI. Valuation Assumptions ..... - 53 -
XII. Evaluation Conclusion ..... - 56 -
XIII. Notes for Special Matters ..... - 60 -
XIV. Asset Valuation Report Usage Restrictions ..... - 64 -
XV. Date of the Asset Valuation Report ..... - 65 -

Statement

I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.

II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.

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IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.

VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and

other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.

VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.

VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on the Shareholders' Total Equity Value of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010158

Summary

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. The main content of this Valuation Report is summarized as follows:

I. Valuation Purpose: According to the *Resolution of the Board of Director of China Minmetals Corporation* (2025, 12th Meeting), the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. involves the equity of MCC Huaye Duddar Mining Company (PVT.) Limited. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

II. Valuation Object and Scope: The valuation object is the total equity value of the shareholders of MCC Huaye Duddar Mining Company (PVT.)

Limited. The valuation scope covers all assets and liabilities of MCC Huaye Duddar Mining Company (PVT.) Limited. As of the valuation date, July 31, 2025, the company's total assets had a book value of USD 101.3319 million, total liabilities had a book value of USD 75.2823 million, and total shareholders' equities had a book value of USD 26.0496 million.

III. Base of Value: The base of value for the conclusion in this Asset Valuation Report is market value.

IV. Valuation Date: July 31, 2025.

V. Valuation Method: Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the asset-based approach.

VI. Valuation Conclusion: The valuation determined that as of the valuation date, July 31, 2025, the shareholders' total equity valuation value of MCC Huaye Duddar Mining Company (PVT.) Limited is RMB 1,656.7205 million. In words: RMB One billion six hundred and fifty-six million, seven hundred and twenty thousand five hundred only.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

VII. Special Matters Affecting the Valuation Conclusion:

1. Based on the *Capital Injection Application*, *Entrusted Agreement for Overseas State-owned Assets Held in Personal Name*, and other relevant materials provided by the enterprise, the evaluated entity's articles of association indicate that all shareholders other than China Huaye Group Company Limited are nominee shareholders. MCC Huaye Duddar Mining Company (PVT.) Limited is a wholly-owned subsidiary of China Huaye Group Company Limited.

2. According to the patent certificates provided by the enterprise, the recorded right holders for the 26 patent assets within the current valuation scope are all China Huaye Group Company Limited. Communication with the enterprise's management revealed that these patent assets were independently developed by MCC Huaye Duddar Mining Company (PVT.) Limited. As overseas companies cannot apply for patent certificates in China, China Huaye Group Company Limited applied for registration on its behalf. The valuers have obtained and correspondingly verified the internal application and approval process documents for these patents within China Huaye Group Company Limited. The actual right holder of these patent assets is MCC Huaye Duddar Mining Company (PVT.) Limited.

3. The buildings and structures within the current valuation scope do not have ownership certificates. The evaluated entity has provided a *Letter of Ownership Commitment*, confirming that the aforementioned assets belong to MCC Huaye Duddar Mining Company (PVT.) Limited.

4. Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

on the Shareholders' Total Equity Value of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB Zi [2025] No. 010158

Text

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to valuate the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. This was conducted in accordance with laws and administrative regulations, adhering to the principles of independence, objectivity, and impartiality, employing both the asset-based approach and the income approach, and following necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. Overview of the Client and the Evaluated Entity

(I) Overview of the Client

Company Name: Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")

Unified Social Credit Code: 91110000710935716X

Registered Address: No. 28 Shuguang Xili, Chaoyang District, Beijing

Legal Representative: Chen Jianguang

Registered Capital: RMB 20,723,619,170

Enterprise Type: Joint Stock Limited Company (Listed, State-Controlled)

Date of Establishment: December 1, 2008

Business Term: December 1, 2008 to No Fixed Term

Business Scope: Domestic and international engineering consulting, survey, design, and general contracting; engineering technology consulting services; leasing of engineering equipment; technology development, technical services, technical exchange, and technology transfer of new materials, new processes, and new products related to engineering and construction; development, production, and sale of equipment required for the metallurgical industry; planning, survey, design, supervision, and services for construction and mechanical & electrical equipment installation projects, as well as related research; investment, processing, utilization, and sale of metallic mineral products; property development and operation; tendering agency; import and export business; sales of mechanical and electrical products, cars, building materials, instruments and meters, and hardware and electrical equipment. (Market entities shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the national and municipal industrial policies.)

(II) Overview of the Evaluated Entity

1. Basic Information of the Enterprise

Company Name: MCC Huaye Duddar Mining Company (PVT.) Limited (Hereinafter referred to as "MHD")

English Name: MCC HUAYE DUDDAR MINING COMPANY (PVT.) LIMITED

Registration Certificate No.: ADR-I/0090111-299

Registered Address: Lasbela District, Balochistan Province, Pakistan

Registered Capital: USD 66,413.66

Date of Establishment: October 1, 2014

MCC Huaye Duddar Mining Company (PVT.) Limited (Hereinafter referred to as MHD) is located in the Kanraj Valley, Lasbela District, Balochistan Province, Pakistan. It is primarily engaged in resource development business, mainly involving the production and sales of non-ferrous metal mineral products such as lead and zinc, and their by-products. The Duddar Lead-Zinc Mine Project is the only underground metal mine in Pakistan. As a resource development project under China-Pakistan cooperation, it is invested in and operated by China Huaye Group Company Limited.

2. Shareholder and Equity Structure of the Evaluated Entity as of the Valuation Date

As of the valuation date of July 31, 2025, MHD's equity is 100% held by China Huaye Group Company Limited:

Serial Number	Shareholder Name	Registered Capital (USD)	Paid-in Capital (USD)
1	China Huaye Group Company Limited	66,413.66	66,413.66
Total	—	66,413.66	66,413.66

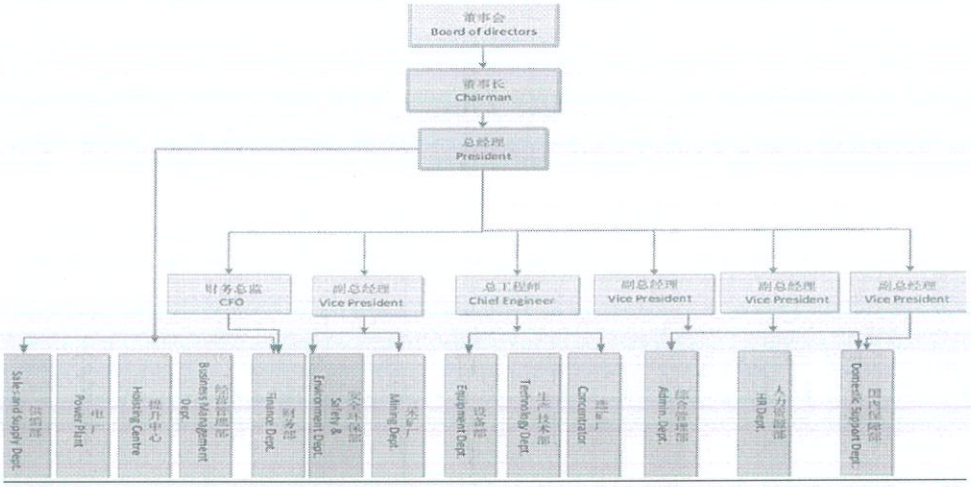
3. Historical Evolution of the Evaluated Entity

MCC Huaye Duddar Mining Company (PVT.) Limited obtained its corporate registration certificate from the Quetta Registry of the Securities and Exchange Commission of Pakistan (SECP) on October 1, 2014. The company's registered capital is PKR 7,000,000.00 (converted to USD 66,413.66 based on the foreign exchange rate of USD 1 = PKR 105.4 announced by the National Bank of Pakistan on December 1). The company's registered address is: Duddar Export Processing Zone, Lasbela District, Balochistan Province, Pakistan. The equity of MHD is 100% held by China Huaye Group Company Limited.

As of the valuation date of July 31, 2025, the equity structure and contribution details of MHD have remained unchanged.

4. **Enterprise Organizational Structure**

The organizational chart of MHD is as follows:



5. Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years

As of the valuation date, the audited total asset book value of MHD was USD 101.3319 million, the total liability book value was USD 75.2823 million, and the net asset book value was USD 26.0496 million, per the audit by Baker Tilly China Certified Public Accountants (Special General Partnership). The primary assets and operating conditions of MHD as of the valuation date and for the preceding three years are presented in the following table:

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years

Monetary Unit: USD10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	12,028.27	9,510.26	9,656.91	10,133.19
Total Liabilities	6,170.11	3,399.28	6,799.71	7,528.23
Total sharehold	5,858.16	6,110.98	2,857.19	2,604.96

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
ers' equities				
Item	**2022**	**2023**	**2024**	**January-July 2025**
Operating Revenue	12,237.59	8,564.03	10,656.81	8,491.62
Operating Costs	6,105.89	5,219.80	5,290.20	3,298.66
Operating Profit	4,180.46	1,641.52	3,501.74	3,855.68
Total Profit	4,170.72	1,641.52	3,501.74	3,855.68
Net Profit	4,170.72	1,612.35	2,116.93	2,081.38
Audit Firm	Ernst & Young Hua Ming LLP (Special General Partnership)	Ernst & Young Hua Ming LLP (Special General Partnership)	Ernst & Young Hua Ming LLP (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report Document No.	Ernst & Young Hua Ming (2023) S Zi No. 60923904_A75	Ernst & Young Hua Ming (2024) S Zi No. 80009504_A01	Ernst & Young Hua Ming (2025) S Zi No. 70122397 A05	TZY Zi [2025] No.40695
Audit Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions

(III) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become users of this Valuation Report.

(IV) Relationship between the Client and the Evaluated Entity

The evaluated entity is a wholly-owned subsidiary of China Huaye Group Company Limited, a controlling subsidiary of the client.

II. Valuation Purpose

According to the *Resolution of the Board of Director of China Minmetals Corporation (2025, 12th Meeting)*, the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. involves the equity of MCC Huaye Duddar Mining Company (PVT.) Limited. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to valuate the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. Valuation Object and Scope

(I) Valuation Object

The valuation object is the total equity value of the shareholders of MCC Huaye Duddar Mining Company (PVT.) Limited.

(II) Basic Information on Assets and Liabilities Within the Valuation Scope

The valuation scope encompasses all assets and liabilities of MCC Huaye Duddar Mining Company (PVT.) Limited as of the valuation date, subsequent to audit. According to the audited financial statements as of the valuation date, the total asset book value was USD 101.3319 million, the total liability book value was USD 75.2823 million, and the net asset book value was USD 26.0496 million.

The assets within the valuation scope include current assets and non-current assets. Current assets comprise monetary funds, accounts receivable, advance payments, other receivables, and inventory. Non-current assets

include fixed assets, construction in progress, engineering materials, and intangible assets.

The liabilities within the valuation scope include current liabilities and non-current liabilities. Current liabilities comprise accounts payable, contract liabilities, employee benefits payable, taxes payable, and other payables. Non-current liabilities consist of long-term payables and estimated liabilities.

The book status of assets and liabilities is presented in the following table:

Monetary unit: USD 10,000

Item	Book Value
Total Current Assets	5,072.29
Total Non-Current Assets	5,060.90
Including: Long-term Equity Investments	
Investment Properties	
Fixed Assets	4,123.03
Construction in Progress	937.59
Intangible Assets	0.28
Including: Intangible Assets - Land Use Rights	
Other Non-Current Assets	
Total Assets	**10,133.19**
Current Liabilities	5,326.37
Non-Current Liabilities	2,201.86
Total Liabilities	**7,528.23**
Total shareholders' equities	**2,604.96**

Details of all assets and liabilities within the valuation scope are provided in the attachment to this report, the *Detailed Asset Valuation Schedule*.

The above-mentioned entrusted valuation object and valuation scope are consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Monetary funds have a book value of USD 23.6668 million, accounting for 23.36% of the total assets at book value, and consist of cash and bank deposits.

2. Accounts receivable have a book value of USD 1.0861 million, accounting for 1.07% of the total assets at book value, and consist of receivables for lead and zinc concentrates.

3. Advance payments have a book value of USD 1.2122 million, accounting for 1.20% of the total book assets, and consist of payments for goods and transportation costs.

4. Other receivables have a net book value of USD 8.3863 million, accounting for 8.28% of the total assets at book value, and consist of receivables for inter-company balances, deposits, fund deposits, and expenses for canteen and logistical supplies.

5. Inventory assets have a book value of USD 16.3716 million, accounting for 16.16% of the total book assets, and consist of raw materials, finished goods, and work in progress.

(1) The book value of raw materials is USD 7,408,667.22, the inventory write-down provision is USD 0.00, and the net book value is USD 7,408,667.22. It mainly includes xanthate, solid copper sulfate, drill rods, and Deutz BF4M1013EC engines, etc. As of the valuation date, all were in normal working condition.

(2) The book value of finished products is USD 7,836,213.10, the inventory write-down provision is USD 0.00, and the net book value is USD 7,836,213.10. It mainly includes zinc concentrate and lead concentrate. As of the valuation date, all were available for normal external sale.

(3) The book value of work in progress is USD 1,126,689.26, the inventory write-down provision is USD 0.00, and the net book value is USD 1,126,689.26. It mainly consists of raw ore. As of the valuation date, all could be normally used for production.

6. The total net book value of fixed assets is USD 41.2303 million, accounting for 40.69% of the total book assets. These primarily include

buildings and structures, structures, mine development, machinery and equipment, vehicles, and electronic equipment. The buildings and structures of MHD mainly include the power plant building, warehouses and laboratories, the original machining workshop and warehouse, etc. The structures mainly include the Water Dam, the processing plant upgrade project, the Tailings Dam reinforcement project, and the Ecological Park, etc. The shaft and tunnel engineering primarily includes the 420-320 level main ventilation shaft, the 420-320 level fill back well shaft, and the 400-300 level waste rock chutes shaft, etc. The machinery and equipment mainly include scoop trams, air compressors, heavy oil generator sets, dry-type power transformers, and trolley wire electric locomotives, etc., all in normal operating and maintenance condition. The vehicles primarily consist of pickup trucks, buses, ambulances, refrigerated trucks, and other vehicles for work and daily use. The electronic equipment comprises items purchased by the enterprise to meet daily operational needs, such as thermal imaging heavy-duty three-head pan-tilts, UAV countermeasure systems, and drones, all in normal operating and maintenance condition.

7. The book value of construction in progress is USD 9.3759 million, accounting for 9.25% of the total book assets. It mainly includes construction in progress - civil engineering works and engineering materials.

(1) Construction in progress - civil engineering works has book balance of USD 7,932,276.03, with an impairment provision of USD 0.00 and book value of USD 7,932,276.03. This primarily includes projects such as the Detailed Supplementary Exploration Project for the North Ore Zone of the Duddar Lead-Zinc Mine, the Duddar Lead-Zinc Mine Deep Hoisting Project in Pakistan, and the Duddar Lead-Zinc Mine -200m Level Development Project. As of the valuation date, these projects were all still under construction.

(2) Engineering materials have book balance of USD 1,443,621.90, with an impairment provision of USD 0.00 and book value of USD 1,443,621.90. These materials mainly include crushed stone (self-made) aggregate, expansion shell bolts, threaded steel, and galvanized steel wire ropes.

8.Intangible Assets have a book value of USD 2,800, accounting for 0.00% of the total assets at book value. These consist of purchased office software by evaluated entity.

(IV) Types and Quantities of Off-Balance-Sheet Assets

As of the valuation date, July 31, 2025, the intangible assets reported by MHD but not recorded in the books include 1 mining right and 26 patents, comprising 22 utility model patents and 4 invention patents.

1. Intangible assets - mining rights consist of 1 mining right. The specific details are presented in the following table:

Serial Number	Name, Type (Exploration Right / Mining Right)	Exploration (Mining) License Number	Acquisition Method	Acquisition Date	Development Stage	Production Scale
1	Duddar lead-zinc mine mining right	ML-100(132)	Succession	2015/1/15	Southern ore zone mined; Northern ore zone in reconnaissance stage	2.3 million tons

Pursuant to the Lease Contract signed between MHD and the Government of Pakistan and the obtained Mining License, MHD has acquired the mining rights for the Duddar Lead-Zinc Mine for a 20-year term starting from January 15, 2015, and is required to pay an annual land fee of PKR 75,000. Furthermore, if the distributable profit (net profit) in any mining year exceeds the corresponding figures disclosed in the *Feasibility Study Report on the Capital Increase for the Duddar Lead-Zinc Mine Project of China Huaye Group Company Limited* ([Z1140-2014] Project) issued by China ENFI Engineering Corporation, a profit share of 25% of the distributable profit (net profit) shall be accrued and paid to PDMC. If the profit does not exceed the stated figures,

the accrual rate shall be 20%. Based on comparative analysis, for the forecast period from August 2025 to December 2030, MHD shall accrue the profit share at the rate of 20%; for all other periods, the accrual shall be at the rate of 25%.

2. Intangible assets - others consist of 26 patents, including 22 utility model patents and 4 invention patents. The list of patents owned by the enterprise is as follows:

Serial Number	Recorded Right Holders	Actual Right Holder	Patent No./Application No.	Patent Name	Application Date	Date of Authorization Publication	Patent Category
1	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201721754527.9	Mine filling anti-blocking system	2017/12/15	2018/5/31	Utility Model
2	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201821833044.2	Automatic flushing device for filling breather pipe of filling station	2018/11/7	2019/7/4	Utility Model
3	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201821909032.3	Flotation column shunting feeding concentration device	2018/11/19	2019/7/4	Utility Model
4	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201811435553.4	Micro-fine particle metallic zinc separation and beneficiation method and separation and beneficiation device	2018/11/28	2020/6/19	Inventions
5	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201822143131.1	Stope roof surrounding rock rapid consolidation device	2018/12/19	2019/9/4	Utility Model
6	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201822140729.5	Roof-contacted backfill supporting device for filling mining	2018/12/19	2019/8/29	Utility Model
7	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922145494.3	Deep well steel wire rope winding and unwinding device	2019/12/4	2020/8/10	Utility Model
8	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922134781.4	Well wall guniting system	2019/12/3	2020/7/27	Utility Model
9	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201911337452.8	Continuous mining method of unstable ore body	2019/12/23	2021/9/22	Inventions

Serial Number	Recorded Right Holders	Actual Right Holder	Patent No./Application No.	Patent Name	Application Date	Date of Authorization Publication	Patent Category
10	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922329325.5	Disclosed is underground space roof supporting column	2019/12/23	2020/8/10	Utility Model
11	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922309290.9	Valve spring compressor	2019/12/20	2020/8/20	Utility Model
12	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120037849.1	Device for quickly consolidating drilling orifice pipe	2021/1/7	2021/11/2	Utility Model
13	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202110047454.4	Mine underground unstable stope supporting and reinforcing device and method	2021/1/14	2022/10/14	Inventions
14	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120124245.0	Hydraulic control device for mine safety door and car arrester	2021/1/18	2021/9/18	Utility Model
15	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120125734.8	Plate bending device	2021/1/18	2021/10/11	Utility Model
16	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120479331.3	Water gushing device for blocking drill hole	2021/3/5	2021/11/10	Utility Model
17	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202123009889.4	Simple mine ramp traffic signal device	2021/12/2	2022/7/22	Utility Model
18	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202123156151.0	Middle hinge pin shaft device of loading machine	2021/12/15	2022/5/11	Utility Model
19	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202111562690.6	Method and system for treating refractory zinc middlings through machine column combined configuration	2021/12/20	2023/11/3	Inventions
20	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202123258138.6	Quick dismounting tool for carry-scraper tire	2021/12/20	2022/5/10	Utility Model
21	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202220026593.9	Bidirectional pressurization reinforcing and crushing top plate device	2022/1/6	2022/5/24	Utility Model

Serial Number	Recorded Right Holders	Actual Right Holder	Patent No./Application No.	Patent Name	Application Date	Date of Authorization Publication	Patent Category
22	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202223378940.3	Pressure measuring device for cylinder head of generator set	2022/12/15	2023/5/22	Utility Model
23	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202223382533.X	Detaching tool based on belt pulley of impact crusher	2022/12/16	2023/5/12	Utility Model
24	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202320574814.0	Anti-falling device for link bolt of underground mine car	2023/3/22	2023/8/29	Utility Model
25	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202320801134.8	Movable grinding device for cylinder head valve seat	2023/4/12	2023/8/18	Utility Model
26	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	2024230917930	Loader Disc Brake Testing Platform	2024/12/13	2025/9/12	Utility Model

According to the patent certificates provided by the enterprise, the recorded right holders for the 26 patent assets within the current valuation scope are all China Huaye Group Company Limited. Communication with the enterprise's management revealed that these patent assets were independently developed by MCC Huaye Duddar Mining Company (PVT.) Limited. As overseas companies cannot apply for patent certificates in China, China Huaye Group Company Limited applied for registration on its behalf. The valuers have obtained and correspondingly verified the internal application and approval process documents for these patents within China Huaye Group Company Limited. The actual right holder of these patent assets is MCC Huaye Duddar Mining Company (PVT.) Limited.

(V) Use of Reports from Other Institutions

1. The book value data of various assets and liabilities as of the valuation date in this valuation report are sourced from the standard unmodified opinion audit report (TZY Zi [2025] No. 40695) issued by Baker Tilly China Certified Public Accountants (Special General Partnership).

2. The valuation of the intangible assets - mining right cited the *Mining Right Valuation Report on the Duddar Lead-Zinc Mine in Pakistan of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of MCC Huaye Duddar Mining Company (PVT.) Limited by Metallurgical Corporation of China Ltd.* (ZSZYKP Zi [2025] No. 010016) issued by SinoValue Assets Appraisal Co., Ltd. on December 3, 2025.

IV. Base of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value.

Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

V. Valuation Date

The valuation date for this project is July 31, 2025. This valuation date was determined by the client.

The reasons for selecting this valuation date are: Valuation date meets the requirements of the relevant economic activity and facilitates the achievement of the valuation purpose. Furthermore, this valuation date aligns with the evaluated entity's month-end reporting date, enabling the asset valuation institution to fully utilize the enterprise's existing financial data and

contributing to the successful completion of the valuation work.

VI. Valuation Bases

The valuation bases followed in this asset valuation primarily include the economic behavior basis, law and regulation bases, asset ownership bases, as well as pricing bases and other reference materials adopted in the valuation and estimation process. Details are as follows:

(I) Economic Behavior Basis

Resolution of the Board of Director of China Minmetals Corporation (2025, 12th Meeting)

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);

2. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);

3. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);

4. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);

5. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);

6. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

7. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);

8. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);

9. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);

10. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);

11. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);

12. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);

13. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);

14. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);

15. *Patent Law of the People's Republic of China* (approved on March 12, 1984, by the 4th Session of the Standing Committee of the 6th National People's Congress; amended on October 17, 2019, by the 22th Session of the Standing Committee of the 13th National People's Congress);

16. *Rules for the Implementation of the Patent Law of the People's Republic of China* (Decree No. 306 of the State Council of the People's

Republic of China, approved at the 95th Executive Meeting of the State Council on December 30, 2009);

17. *Accounting Standards for Business Enterprises* and other related accounting systems;

18. Other relevant laws, regulations, notices, and documents.

(III) Basis for Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);

2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);

3. *Practice Standards for Assets Valuation - Asset Valuation Procedures* (ZPX [2018] No. 36);

4. *Practice Standards for Assets Valuation - Asset Valuation Report* (ZPX [2018] No. 35);

5. *Practice Standards for Assets Valuation - Assets Valuation Method* (ZPX [2019] No. 35);

6. *Practice Standards for Assets Valuation -Asset Valuation Engagement Contract* (ZPX [2017] No. 33);

7. *Practice Standards for Assets Valuation - Assets Valuation File* (ZPX [2018] No. 37);

8. *Practice Standards for Assets Valuation - Property* (ZPX [2017] No. 38);

9. *Practice Standards for Assets Valuation - Machinery and Equipment* (ZPX [2017] No. 39);

10. *Practice Standards for Assets Valuation - Enterprise Value* (ZPX [2018] No. 38);

11. *Practice Standards for Assets Valuation - Intangible Assets* (ZPX [2017] No. 37);

12. *Guidelines for Asset Valuation Reports on State-Owned Enterprises* (ZPX [2017] No. 42);

13. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);

14. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);

15. *Guidance on Patent Asset Valuation* (ZPX [2017] No. 49);

16. *Guidelines for Asset Valuation Expert No. 12 - Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);

17. *Guidelines for Asset Valuation Expert No. 8 - Verification and Validation during Asset Valuation* (ZPX [2019] No. 39);

18. Announcement No. 5 of 2008 of the China Association of Mineral Resources Appraisers (comprising 9 China mineral right valuation standards);

19. Announcement No. 6 of 2008 of the China Association of Mineral Resources Appraisers, *Announcement on the Release of the "Guidance on the Determination of Mineral Right Valuation Parameters" (CMVS30800-2008)*;

20. Announcement No. 5 of 2010 of the China Association of Mineral Resources Appraisers, *Announcement on the Release of 8 China Mineral Right Valuation Standards including "Standard for Mineral Rights Appraisal Project Working Papers (CMVS11200-2010)"*;

21. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);

(IV) Basis of Asset Ownership

1. Business license;

2. Enterprise capital contribution proof documents;

3. *Letter of Ownership Commitment*;

4. *Mining License* (ML-100(132));

5. Major asset purchase contracts or vouchers;

6. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;

2. Financial statements and detailed financial ledgers of the valuation date and the previous year;

3. Materials related to financial management, production and operation, and market sales provided by the enterprise;

4. Enterprise revenue, cost, expense analysis, and forecasting materials;

5. The enterprise's fixed asset depreciation method;

6. Enterprise development plans, investment projects, and data on required funds for future years;

7. The enterprise's financial accounting system;

8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;

9. Selected contracts and agreements provided by the enterprise;

10. Data analyzing the enterprise's industry position and market competition;

11. Current national and local tax policies and regulations;

12. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;

13. Relevant data on A-share listed companies provided by the iFinD software;

14. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;

15. Relevant financial data and other materials provided by the enterprise;

16. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;

17. Statistics of recent LBMA monthly average prices published by the

London Bullion Market Association;

18. Statistics of London Metal Exchange (LME) monthly average prices (middle price);

19. Relevant data from the enterprise's 2014 asset acquisition;

20. *Mineral Resource Development and Utilization Plan for the Duddar Lead-Zinc Mine, Balochistan Province, Pakistan* issued by Northern Engineering & Technology Corporation (Dalian), MCC;

21. *Provisions on Compulsory Retirement Standards for Motor Vehicles* (Decree No. 12 of 2012 jointly issued by the Ministry of Commerce, National Development and Reform Commission, Ministry of Public Security, and Ministry of Environmental Protection);

22. The lease agreement signed between MHD and the Government of Pakistan;

23. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;

2. *Manual of Common Data and Parameters for Asset Valuation*;

3. Important business contracts provided by the enterprise;

4. Market research data collected by the asset valuation professionals;

5. Relevant materials from online inspections and inquiries/confirmations conducted by the asset valuation professionals;

6. Relevant materials provided by the enterprise's related departments and personnel;

7. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. Valuation Method

(I) Selection of Valuation Method

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

The Market Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by comparing it with comparable listed companies or comparable transaction cases. The two commonly used specific methods under the Market Approach are the Guideline Public Company Method and the Guideline Transaction Method. Given the specific circumstances of the evaluated entity, and limitations in market information conditions, it is difficult to find comparable reference entities and transactions in the market similar to the evaluated entity this time. Therefore, the Market Approach was not adopted for this valuation.

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation assumes the continuance of the valuation object as a going concern. The enterprise can provide complete historical operational and financial data. Management has conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future earnings and operational risks can be quantified, meeting the basic conditions

for applying the income approach.

The Asset-Based Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by evaluating the value of all on-balance-sheet and identifiable off-balance-sheet assets and liabilities of the Evaluated Entity as of the valuation date. Given that for this project, comprehensive information was collected for all assets and liabilities within the entrusted valuation scope, the Asset-Based Approach was deemed appropriate and therefore adopted for this valuation.

Considering factors such as the valuation object, bases of value, and data collection status, both the asset-based approach and the income approach were used for this valuation.

(II) Method for Determining the Valuation Conclusion

Based on the respective outcomes calculated using the two valuation methods, a comprehensive analysis was conducted regarding the completeness of the data used, the reliability of the data, and the reasonableness of the calculated results in the specific application of each method. The result from one of these methods was selected as the final valuation conclusion for this report.

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach

(I) Valuation of Current Assets

1. Monetary Funds

Monetary funds include cash and bank deposits.

For the valuation of monetary funds, the asset valuation professionals, accompanied by the company's cashier, supervised the physical count of cash on hand. The rollback method was used to verify the cash balance at the valuation date, which was then checked against the cash journal and the general

ledger cash account balance as of the valuation date to confirm the valuation value. The valuation value was confirmed as the verified book value. The asset valuation professionals verified bank deposits by examining bank statements, reconciliation statements, and confirming the bank confirmation letters performed by the audit firm. For bank deposits, the valuation value was confirmed as the verified book value.

2. Accounts Receivable

The asset valuation professionals reviewed relevant contracts, agreements, and original vouchers, and verified the confirmation letters obtained by the auditors. Based on this verification, and utilizing historical data and findings from online video surveys, they conducted a detailed analysis of the amounts, aging and reasons for the debts, debt recovery status, as well as the fund status, creditworthiness, and operational management of the debtors. The valuation value was determined based on the amount likely to be recovered for each individual debt. For receivables that were fully collectible, the valuation value was equal to the total book value of the receivable. For receivables with potential uncollectible portions, where the uncollectible amount could not be precisely determined, a risk loss estimate was applied. The valuation value was determined by deducting the valuated risk loss from the total book value of the receivable.

3. Advance payments

The valuers reviewed relevant material procurement contracts or supply agreements and ascertained the services already received and goods already obtained between the valuation date and the date of the on-site valuation work. No instances were found where suppliers had gone bankrupt, been dissolved, or were unable to provide goods or services as per the contracts. Therefore, the verified book value was taken as the valuation value.

4. Other Receivables

For the valuation of Other Receivables, the asset valuation professionals reviewed the relevant accounting records and original vouchers, verified the confirmation letters obtained by the auditors, and found no evidence of bad debts caused by debtor bankruptcy, closure, death, disappearance, or other force majeure events. However, it cannot be guaranteed that bad debt losses will not occur in the future. Furthermore, considering that these receivables cannot be collected in a lump sum on the valuation date, and the specific timing of collection is uncertain, the time value of money must also be considered. Therefore, the asset valuation needs to account for the risk of loss. The asset valuation professionals determined that the amount of bad debt provision accrued in the accounts is essentially equivalent to the estimated valuation risk loss amount. Therefore, the valuation value of the receivables is confirmed at their book value, and the bad debt provision is assessed as zero in accordance with the regulations.

5. Inventory

Inventory primarily includes raw materials, finished goods, and work in progress.

The valuers reconciled the inventory valuation declarations with the general ledger, subsidiary ledgers, and financial statements, and examined relevant accounting records and original vouchers to confirm the existence and ownership of the inventory. Additionally, the valuers gained an understanding of the enterprise's internal control system for inventory and, by reviewing recent inventory inbound and outbound records, grasped the inventory turnover situation. They also verified the quality and storage duration of the inventory. Finally, the valuers conducted a sample physical count of the inventory jointly with the enterprise's inventory custodians. Based on this, and combined with the inventory movement records between the physical count date and the valuation date, they calculated the actual quantity of inventory

existing as of the valuation date.

(1) Raw materials

The valuation value of raw materials was determined by multiplying the verified quantity by the current market purchase price, then adding reasonable transportation and miscellaneous expenses, loss, inspection, sorting, and storage fees, and other reasonable expenses. The evaluated entity uses actual cost accounting for raw materials, and the book value includes the purchase price and other reasonable costs. For some older, small-scale equipment, it was appraised as part of machinery and equipment assets. For raw materials with minimal price fluctuation, the verified book value was used as the valuation value.

(2) Finished products

For finished goods, the valuation value was determined based on their sale price excluding taxes, minus sales expenses, all applicable taxes, and an appropriate amount of after-tax net profit. The calculation formula is as follows:

Valuation value of finished goods = Quantity of finished goods × Valuation unit price of finished goods

Valuation unit price of finished goods = unit sale price excluding tax × [1 - sales expense rate - tax and surcharge rate - operating profit margin × corporate income tax rate - operating profit margin × (1 - corporate income tax rate) × profit deduction rate]

Among them, the quantity of finished goods is determined based on the actual quantity existing as of the valuation date. The unit sale price excluding tax is determined based on the recent sale price excluding tax of the finished goods around the valuation date. The sales expense rate, tax and surcharge rate, and operating profit margin are determined based on an analysis of historical financial statements. The corporate income tax rate is the rate applicable to the

enterprise as of the valuation date. The profit deduction rate is determined based on the sales status of the finished goods: 0% for fast-selling products, 50% for normally selling products, and 100% for slow-selling products.

(3) Work in progress

For work in progress (self-made semi-finished products), due to the complexity of the enterprise's production process, it is difficult to convert the various WIP items into equivalent units of the final finished product. Therefore, in the valuation, the valuation value is determined by first converting their value into a sale price excluding tax based on the enterprise's gross profit margin on sales, and then deducting sales expenses, all applicable taxes, and a portion of the after-tax net profit. The calculation formula is as follows:

Valuation value of work in progress (self-made semi-finished products) = quantity of work in progress (self-made semi-finished products) × valuation unit price of work in progress (self-made semi-finished products)

Valuation unit price of work in progress (self-made semi-finished products) = converted unit sale price of work in progress (self-made semi-finished products) × [1 - sales expense rate - tax and surcharge rate - operating profit margin × corporate income tax rate - operating profit margin × (1 - corporate income tax rate) × profit deduction rate]

Converted unit sale price of work in progress (self-made semi-finished products) = book unit price × [1 + gross profit margin on sales ÷ (1 - gross profit margin on sales)]

Among them, the quantity of work in progress (self-made semi-finished products) is determined based on the actual quantity existing as of the valuation date. The unit selling price excluding tax is determined by converting the book unit price of the work in progress (self-made semi-finished products) using the gross profit margin on sales. The sales expense rate, tax and surcharge rate, and operating profit margin are determined based on an analysis of historical

financial statements. The corporate income tax rate is the rate applicable to the enterprise as of the valuation date. The profit deduction rate is determined based on the sales status of the work in progress (self-made semi-finished products): 0% for fast-selling products, 50% for normally selling products, and 100% for slow-selling products.

(II) Valuation of Building and Structure Assets

1. Valuation method for buildings and structures

According to the relevant provisions of the *Practice Standards for Assets Valuation - Property*, the appropriate Valuation method shall be selected based on the characteristics of the valuation objects, bases of value, data collection status, and other relevant conditions, analyzing the applicability of the market approach, income approach, cost approach, and hypothetical development method.

Analysis of method applicability:

As the subject buildings and structures are self-built production facilities, and overall lease information for similar surrounding buildings cannot be ascertained, the conditions for applying the income approach are not met.

As the subject buildings and structures are self-built production facilities, market transaction cases for the overall sale of similar surrounding buildings cannot be obtained. Therefore, the market approach cannot be used to valuate the value of the subject buildings and structures.

As the building and structure assets are self-built production facilities, the valuers can obtain the engineering consumption indicators required for the replacement cost method and the price information for labor, materials, and machinery usage as of the valuation date. The conditions for applying the replacement cost method are met.

The valuation objects are already developed and in use, which does not conform to the application conditions and scope of the hypothetical

development method. Therefore, this method was not selected.

In conclusion, the replacement cost method was adopted for the valuation. Its calculation formula is generally expressed as:

Valuation value = replacement cost × comprehensive newness rate

(1) Determination of replacement cost

Replacement cost = comprehensive construction and installation cost (including tax) + preliminary and other expenses (including tax) + costs of capital

1) Comprehensive construction and installation cost

For assets where the engineering settlement or financial final account data upon completion is available, the final account adjustment method is used. This method bases the calculation on the relevant engineering settlement, adjusting for cost differences between the completion date and the valuation date by referencing the engineering settlement and the standards for labor, material, and machinery costs as of the valuation date, ultimately deriving the comprehensive construction and installation cost.

For buildings and structures with low value and simple buildings (structures), the unit cost method is used to determine their replacement unit price.

2) Preliminary and other expenses

Preliminary and other expenses are calculated based on the equity holder's project construction investment amount and the fee standards stipulated by industry, national, or local government regulations.

3) Cost of capital

Cost of capital represents the loan interest on funds invested in the project during the construction period. The interest rate used is calculated based on the loan prime rate (LPR). The construction period is calculated based on a normal and reasonable project duration, and the funds are assumed to be invested

uniformly.

Cost of capital = (comprehensive construction and installation cost (including tax) + preliminary and other expenses (including tax)) × loan interest rate during the construction period × reasonable construction period ÷ 2

The loan interest rate adopted is the one-year loan prime rate (LPR) published by the National Interbank Funding Center authorized by the People's Bank of China on the valuation date.

2) Determination of comprehensive newness rate

The buildings and structures included in this valuation scope serve the mining operations. Based on communication with the enterprise's management, once the mineral resources are depleted and cannot be effectively recovered, their economic life also concludes. The newness rate is determined comprehensively based on the lower of the remaining service life determined by the recoverable reserves and the remaining service life determined by the economic life, combined with online surveys, historical renovation and upgrade records of the buildings, and their maintenance condition.

The newness rate is determined using the following formula:

Newness rate = remaining usable life / (years in service + remaining usable life)

For building assets in normal use, the newness rate generally shall not be lower than 30%.

(3) Determination of valuation value

Valuation value = replacement cost × comprehensive newness rate

2. Valuation method for shaft and tunnel engineering

Based on the condition of the assets subject to valuation, the shaft and tunnel engineering is valuated using the replacement cost method.

Based on the condition of the assets subject to valuation, the shaft and

tunnel engineering is valuated using the replacement cost method. For the valuation of the shaft and tunnel assets, the full replacement cost is determined using the re-budgeting method, based on the engineering data provided by the enterprise and combined with the physical survey. The newness rate is determined comprehensively based on the service life of the shafts/tunnels and the remaining recoverable reserve situation, thereby calculating the valuation value of the shaft and tunnel assets.

Valuation Value = Full Replacement Cost× Newness Rate

(1) Full replacement cost

Full replacement cost = construction engineering cost + preliminary and other expenses + costs of capital

1) Comprehensive cost of shaft and tunnel engineering

The comprehensive engineering cost for underground works is calculated based on the physical quantities and the current 2019 edition *Budgetary Norm for Non-ferrous Metal Industry Mine Shaft and Tunnel Engineering* and its associated fee standards. The calculation formula is as follows:

Comprehensive cost = direct quota fees + auxiliary quota fees + enterprise management fees + profit + organizational measures fees + other project fees + statutory fees + taxes

Wherein: Direct quota fees are determined by applying the 2019 edition *Budgetary Norm for Non-ferrous Metal Industry Mine Shaft and Tunnel Engineering* (Direct Cost portion) based on construction method, excavation cross-section, support method, support materials, and support thickness.

Auxiliary quota fees are determined by applying the 2019 edition *Budgetary Norm for Non-ferrous Metal Industry Mine Shaft and Tunnel Engineering* (Auxiliary Cost portion) based on development method and shaft phase, tunnel phase, tunnel length in the final construction zone, total engineering quantity, tunnel cross-section, and shaft length.

Enterprise management fees, profit, organizational measures fees, other project fees, statutory fees, and taxes are calculated according to the 2019 edition *Non-ferrous Metal Industry Construction and Installation Engineering Cost Norms, Other Project Cost Norms* (ZSXK Zi [2019] No. 204), combined with the specific mine construction situation. The material prices are based on prices collected on-site.

2) Preliminary engineering and other expenses

Preliminary and other expenses include construction fees levied by local government regulations and other expenses incurred by the construction unit for the project beyond the construction and installation cost. Details are provided in the table below.

Schedule of Preliminary and Other Expenses for Shafts and Tunnels

Serial Number	Fee Name	Charge Base	Rate	Basis for Charge
1	Construction unit management fee	Construction and installation engineering costs	0.99 %	CJ [2016] No. 504
2	Survey and design fee	Construction and installation engineering costs	2.98 %	FGJG [2015] No. 299
3	Engineering supervision fee	Construction and installation engineering costs	1.59 %	FGJG [2015] No. 299
4	Engineering bidding agency service fee	Construction and installation engineering costs	0.08 %	FGJG [2015] No. 299
5	Feasibility study fee	Construction and installation engineering costs	0.23 %	FGJG [2015] No. 299
6	Mine tunnel maintenance fee	Cost of shaft and tunnel engineering	1.00 %	Non-ferrous metals industry construction other expense norms (2019 Edition 3.20)
	Subtotal		6.87 %	

3) Determination of costs of capital

Cost of capital represents the loan interest on funds invested in the project during the construction period. The interest rate used is based on the Loan Prime Rate (LPR) published on July 21, 2025, by the National Interbank Funding Center authorized by the People's Bank of China. The construction period is calculated based on a normal and reasonable project duration, assuming uniform investment of funds:

Cost of capital = (construction and installation engineering cost + preliminary engineering and other expenses) × loan interest rate × construction period × 1/2

(2) Determination of newness rate

The underground engineering works included in this valuation scope serve the mining operations. Their economic life concludes simultaneously with the depletion of the mineral resources. The newness rate is determined based on the lower of the remaining service life calculated from the recoverable reserves and the remaining service life calculated from the economic life. The calculation formulas are as follows:

Newness rate = remaining service life / (years in service + remaining usable life) × 100%

Remaining service life (based on recoverable reserves) = utilized recoverable reserves used in the valuation / (mine production capacity / (1 - dilution rate)

(3) Determination of valuation value

Valuation value = replacement cost × newness rate

(III) Valuation of Equipment Assets

1. Selection of Valuation methods

In accordance with the *Practice Standards for Assets Valuation - Machinery and Equipment*, when conducting the appraisal of machinery and equipment, the applicability of the three fundamental asset Valuation methods of cost approach, market approach and income approach shall be analyzed based on the valuation purpose, valuation object, bases of value, and data collection status, to select the appropriate Valuation method.

The equipment being valuated lacks independent earning capacity, making the income approach unsuitable. The absence of an active transaction market for the equipment renders the market approach unsuitable. As the

replacement price for the subject equipment can be obtained from the market, the replacement cost method is primarily adopted for this equipment valuation.

2. Description of Valuation method

The replacement cost method for equipment valuation involves estimating the updated replacement cost of new equipment and then deducting physical deterioration, functional obsolescence, and economic obsolescence, or determining the valuation value based on the comprehensive newness rate. The replacement value of equipment generally includes all reasonable direct and indirect costs required to repurchase or reconstruct a new asset with the same utility as the valuation object, such as the purchase price of the equipment, transportation and miscellaneous expenses, equipment foundation costs, installation and commissioning costs, preliminary and other expenses, and costs of capital. The calculation formula used in the valuation is:

Valuation value = replacement cost × comprehensive newness rate

(1) Machinery and equipment

1) Replacement cost

The replacement cost of machinery and equipment comprises the equipment purchase price, transportation and miscellaneous expenses, installation costs, foundation costs, other expenses, and costs of capital.

Replacement cost calculation formula:

Replacement Cost = Equipment Purchase Price + transportation and miscellaneous expenses + installation and commissioning costs + foundation costs + preliminary and other expenses + costs of capital

A. Purchase price

The purchase price for domestic standard equipment is determined comprehensively by consulting the *2025 Mechatronics Product Price Information Query System* (Machinery Industry Information Research Institute), conducting online price inquiries, obtaining the latest market

transaction prices from manufacturers or trading companies, and referencing recent purchase prices for similar equipment by the enterprise. For equipment where the purchase price cannot be directly queried, the price is estimated using the index adjustment method, referencing the producer price index for the industrial sector of the same industry.

B. Transportation and miscellaneous expenses

These expenses are calculated based on the purchase price including tax, applying different transportation and miscellaneous expense rates that account for loading, unloading, transportation, storage, insurance, and other related costs incurred between the manufacturer and the equipment location. Transportation and miscellaneous expenses are not added separately if already included in the purchase price.

The calculation formula of the transportation and miscellaneous expenses is as follows:

Equipment transportation and miscellaneous expenses = equipment purchase price × transportation and miscellaneous expense rate

C. Installation and commissioning cost

The installation and commissioning rate is determined primarily by referring to relevant equipment installation rates in the *Handbook of Commonly Used Data and Parameters for Asset Valuation*, while also considering the consumption of auxiliary materials, foundation conditions, installation complexity, and an analysis of the evaluated entity's historical installation cost expenditures. Installation costs are not considered for small, non-fixed equipment that requires no installation.

The calculation formula of the installation and commissioning costs is as follows:

Installation and commissioning costs = equipment purchase price × installation and commissioning rate

D. Foundation cost

Foundation costs are not considered if the equipment does not require a separate foundation. For equipment requiring a separate foundation, costs are determined by referencing project budget estimates or settlement data, utilizing reference foundation rates provided in the *Handbook of Commonly Used Data and Parameters for Asset Valuation*, and analyzing the evaluated entity's actual expenditures.

The calculation formula of the foundation costs is as follows:

Foundation cost = equipment purchase price × foundation rate

E. Preliminary and other expenses

Other expenses include construction unit management fees, feasibility study report and evaluation fees, design fees, engineering supervision fees, etc. These are calculated based on the standard rates for other construction project expenses at the equipment's location, considering the specific characteristics of the equipment itself.

Preliminary and other expenses = (equipment purchase price + transportation and miscellaneous expenses + installation and commissioning costs + foundation costs) × rate

F. Cost of capital

Costs of capital for major equipment necessary for the enterprise's normal production is determined based on the project's reasonable construction period and prevailing financial institution loan interest rates (assuming funds are invested uniformly). The interest rate used is the loan prime rate published in July 2025 by the National Interbank Funding Center authorized by the People's Bank of China.

Costs of capital = (equipment purchase price + transportation and miscellaneous expenses + installation and commissioning costs + foundation costs + preliminary and other expenses) × reasonable construction period ×

loan interest rate × 1/2

2) Newness rate

For machinery and equipment, the newness rate is determined with reference to the equipment's economic life. Through online surveys of the current condition of the equipment and reviewing relevant records of operation, maintenance, and equipment management, the various components of the equipment are inspected to comprehensively determine its remaining usable life. The newness rate (N) is then calculated as follows:

N = remaining usable life / (actual years in service + remaining usable life) × 100%

3) Valuation value

Valuation value = replacement cost × newness rate

(2) Transport vehicles

The cost approach was used for the vehicle valuation.

1) Vehicle replacement cost

The vehicle replacement cost is the vehicle purchase price. The purchase price is determined mainly by referencing the latest market prices for transactions of similar models.

Vehicle replacement cost = vehicle purchase price

2) Determination of comprehensive newness rate

The vehicle's newness rate is determined based on the lower of the rates calculated by the vehicle's mileage and its service life. This is then weighted with the condition observed during the online survey to determine the comprehensive newness rate.

Comprehensive newness rate = theoretical newness rate × 40% + survey-based newness rate × 60%

Age-based newness rate = (statutory service life - years in service) / statutory service life × 100%

Mileage-based newness rate = (statutory mileage limit - accumulated mileage) / statutory mileage limit × 100%

Survey-based newness rate: Determined through comprehensive analysis based on the online survey of the vehicle's condition, including the body exterior, engine compartment, driver's cabin, startup, road test, chassis, and functional components.

3) Determination of vehicle valuation value

Valuation value = full replacement cost × comprehensive newness rate

(3) Valuation of electronic equipment

1) Determination of the electronic equipment replacement cost

Based on local market information and recent market price data from sources such as *ZOL* and *PConline*, the price of the electronic equipment as of the valuation date is determined. As manufacturers or distributors typically provide free delivery, installation, and commissioning, the replacement cost is taken as the purchase price including tax:

Replacement cost = purchase price

2) Electronic equipment Newness rate

The newness rate for electronic equipment is determined using the age-life method.

Newness rate = (remaining usable life / (years in service + remaining usable life)) × 100%

3) Determination of valuation value

Valuation value = replacement cost × electronic equipment newness rate

(IV) Valuation of Construction in Progress

The cost approach was adopted for the valuation, based on the characteristics of the construction in progress, bases of value, data collection status, and other relevant conditions. To avoid double-counting or omitting asset values, and considering the nature of construction in progress, the

following Valuation methods were applied to various unfinished projects:

For projects where the commencement date is within six months of the valuation date, the valuation value is determined based on the verified book value, adjusted by eliminating any unreasonable expenditure.

For projects commenced more than six months before the valuation date and progressing normally, if the prices of labor, materials, machinery, etc., related to the investment have not fluctuated significantly during this period, the valuation value is determined by taking the book value excluding cost of capital, deducting unreasonable expenditures, and adding an appropriate amount of the cost of capital. If the investment prices for labor, materials, machinery, etc., have changed significantly, the replacement value is determined based on the total cost required to recreate the completed portion of the project as of the valuation date under normal circumstances. If significant physical, functional, or economic obsolescence exists, the corresponding obsolescence amounts are deducted; otherwise, the obsolescence amount is zero.

(V) Valuation of Engineering Materials

The valuation value of engineering materials was determined by multiplying the verified quantity by the current market purchase price, then adding reasonable transportation and miscellaneous expenses, loss, inspection, sorting, and storage fees, and other reasonable expenses. The evaluated entity uses actual cost accounting for engineering materials, and the book value includes the purchase price and other reasonable costs. For engineering materials with significant price fluctuations, the valuation value is based on the market price as of the valuation date, considering reasonable expenses. For small equipment purchased earlier with significant price fluctuations, it is valuated as part of machinery and equipment assets. For engineering materials with minimal price fluctuation, the verified book value is used as the valuation

value.

(VI) Valuation of Intangible Assets - Mining Rights

The valuation of the intangible asset - mining right cited the *Mining Right Valuation Report on the Duddar Lead-Zinc Mine in Pakistan of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of MCC Huaye Duddar Mining Company (PVT.) Limited by Metallurgical Corporation of China Ltd.* (ZSZYKP Zi [2025] No. 010016)) issued by SinoValue Assets Appraisal Co., Ltd. on December 3, 2025. The valuation object was the mining right of MCC Huaye Duddar Mining Company (PVT.) Limited and the valuation scope was the area specified on the mining license. The valuation value was USD 124,309,300.00.

The valuation purpose, object and scope, valuation date, economic behavior documents serving as the valuation basis, underlying assumptions, and validity period of the conclusions in the cited mining right valuation report are consistent with those in this asset valuation report.

(VII) Valuation of Intangible Assets - Other Intangible Assets

1. Purchased software

For the valuation of purchased software intangible assets, the office software within the current valuation scope was purchased recently. The asset valuation professionals determined the valuation value based on current market prices.

2. Patent assets

The fundamental Valuation methods for technology-based intangible assets include the cost approach, income approach, and market approach.

Due to the highly unique nature of technology-based intangible assets, the requirements and difficulty of comparing different technologies are significant. It is challenging to collect transaction cases of similar technology-based intangible assets and their specific details. Therefore, the market approach is

not applicable for the valuation.

As the valued technology-based intangible assets contribute significantly to the enterprise's income, and their cost bears a weak correspondence to their value, the cost approach struggles to reflect their true value accurately. Hence, the cost approach is also not applicable for the valuation.

As the valued technology-based intangible assets possess certain earning capacity, the income approach can reflect the contribution of each intangible asset to the earnings. Furthermore, the future income contribution can be forecasted and measured in monetary terms, and the risks associated with obtaining the expected income can also be quantified. Therefore, the income approach (specifically the revenue split method) was adopted for the valuation. This method estimates the contribution of the technology-based intangible assets to sales revenue by applying a revenue split rate to the forecasted future technology-related operating revenue. This future income stream is then discounted to its present value using an appropriate discount rate to determine the valuation value of the technology-based intangible assets. The basic formula is as follows:

$$P = \sum_{i=1}^{n} \frac{R_i \times K}{(1+r)^i}$$

Wherein: V - Valuation value of the technology;

r - Discount rate for the technology;

n - Income duration (remaining economic life) of the technology

Fi - Technology-related operating revenue in future period i;

K - Revenue split rate for the technology in future periods.

(VIII) Valuation of Liabilities

The liabilities declared by the enterprise consist of current liabilities and non-current liabilities. Current liabilities comprise accounts payable, contract liabilities, employee benefits payable, taxes payable, and other payables. Non-

current liabilities consist of long-term payables and estimated liabilities. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. Application of specific valuation methods in the income approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent.

(I) Income Basis - Free Cash Flow To the Firm

The type of income used in the valuation is free cash flow to the firm. Free cash flow to the firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) - Capital expenditures - Change in net working capital.

(II) Income Period

The revenue forecast period for the enterprise is considered finite, totaling 28.42 years, from August 2025 to December 2053.

(III) Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm. There are several sources of funds for enterprises, including equity contributions, bonds, bank loans, lease financing, and retained earnings. Both creditors and shareholders invest funds in a specific enterprise, expecting their investments to be compensated for the opportunity cost of capital. The Weighted Average Cost of Capital refers to the

cost of capital calculated by weighting the individual cost of each source of financing according to its proportion in the total capital. In other words, it is the average cost of capital obtained by taking the specific cost of each financing source and applying its relative share in the overall capital structure as the weighting factor. The calculation formula for the WACC is:

$$WACC = \left(\frac{1}{1+D/E}\right)\times \mathrm{Re} + \left(\frac{1}{1+E/D}\right)\times(1-T)\times Rd$$

Wherein: E: The target equity value of the valuation object;

D: The target debt capital value of valuation object;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

The cost of equity capital (Re) was determined using the Capital Asset Pricing Model (CAPM):

$$R_e = R_f + \beta_e(R_m - R_f) + \alpha$$

Wherein: Rf: Risk-free rate of return;

βe: Equity risk coefficient;

Rm: Expected market rate of return;

α: Company-specific risk adjustment factor.

(IV) Valuation Calculation Formula for the Income Approach

The calculation formula for the income approach used for the evaluated entity in this valuation is as follows:

$$P = \sum_{i=1}^{n} \frac{A_i}{(1+R)^i} + \frac{B+C}{(1+R)^n} - D + OE$$

Wherein: P = Total equity valuation value of the enterprise's shareholders;

Ai -- Free cash flow to the firm in year i of the operation period;

B -- Working capital recovered at the end of the revenue period;

C -- Recoverable residual value at the end of the revenue period;

R -- Discount rate;

n -- Forecast period of the enterprise's revenue duration, n=1,2,3,...;

D -- Present value of the interest-bearing debt as of the valuation date;

OE -- Present value of the sum of non-operating and surplus assets and liabilities as of the valuation date.

X. Implementation Process and Situation of the Valuation Procedures

The asset valuation professionals performed the online valuation work for the assets and liabilities involved in the valuation object from October 9, 2025, to October 25, 2025. The implementation process of this valuation procedure is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

Our company's business responsible person held discussions with the Client's representative to clarify important matters including: the Client, the Evaluated Entity, and other users of the asset valuation report as stipulated in the asset valuation engagement contract besides the Client; the valuation purpose; the valuation object and scope; the base of value; the valuation date; usage restrictions of the Valuation Report; the submission timeline and method for the Valuation Report; the total valuation service fee, payment timing, and method; and the Client's cooperation and assistance with the asset valuation professionals' work, along with other important matters requiring clarification.

(II) Signing the Asset Valuation Engagement Contract

Based on the specific circumstances of the valuation engagement, our company conducted a comprehensive analysis and evaluation of professional competence, independence, and business risks. The asset valuation institution then decided whether to accept the valuation engagement. Upon accepting the asset valuation engagement, the asset valuation institution shall enter into an

asset valuation engagement contract with the Client in accordance with the law, stipulating the rights, obligations, liability for breach of contract, dispute resolution, and other contents between the asset valuation institution and the Client.

(III) Preparation of the Valuation Plan

After accepting this valuation engagement, our company immediately organized asset valuation professionals to prepare an Asset Valuation Plan, determining the appropriate level of detail for the plan reasonably. The Asset Valuation Plan included the main processes and timetable for the implementation of the asset valuation engagement, personnel arrangements, and the technical solution.

(IV) Asset Investigation and Verification

Based on the specifics of the valuation assignment, we conducted appropriate online surveys of the valuation object. This included:

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;

2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;

3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and online inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.

4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

We collected valuation data according to the specific circumstances of the valuation engagement and promptly supplemented the collection as needed according to the requirements of the valuation engagement and changes encountered during its implementation. The collected data included:

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;

2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;

3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation with the Audit Firm

Based on their respective work, the asset valuation professionals performed data reconciliation with the audit firm.

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.

2. Key tasks for the income approach valuation involved asset valuation professionals' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the result under the income approach.

3. The preliminary results from the asset-based approach and the income approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to the Client.

XI. Valuation Assumptions

(I) General Assumptions

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

4. Going Concern Assumption for the Enterprise: It is assumed that the evaluated entity will continue legal operations until December 31, 2053, based on the production methods, scale, product mix, development technology level, and market supply and demand levels determined by the designed construction plan, and that its operating conditions will not undergo major changes in the foreseeable future.

(II) 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 MHD and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. 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.

11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.

2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

The valuation conclusion in this Report is derived under the above assumptions and limiting conditions. This valuation conclusion shall become invalid if the above assessment assumptions and limiting conditions change significantly.

XII. Evaluation Conclusion

In accordance with relevant national regulations concerning asset valuation, and adhering to the principles of independence, impartiality, and objectivity, along with the necessary valuation procedures, the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited has been valuated. Based on the above valuation work, the following conclusion is presented:

(I) Asset-Based Approach Calculation Results

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary unit: USD 10,000

Item		Book Value	Evaluation Conclusion	Appreciation/ Depreciation	Appreciation/ Depreciation Rate %
		A	B	C=B-A	D=C/A×100%
Total Current Assets	1	5,072.29	6,081.33	1,009.04	19.89
Total Non-Current Assets	2	5,060.90	24,619.76	19,558.86	386.47
Including: Long-term Equity Investments	3	-	-	-	
Investment Properties	4	-	-	-	
Fixed Assets	5	4,123.03	11,252.18	7,129.16	172.91
Construction in Progress	6	937.59	263.16	-674.43	-71.93
Intangible Assets	7	0.28	13,104.42	13,104.14	4,682,658.97
Including: Intangible Assets - Land Use Rights	8	-	-	-	
Other Non-Current Assets	9	-	-	-	
Total Assets	10	**10,133.19**	**30,701.09**	**20,567.90**	**202.98**
Current Liabilities	11	5,326.37	5,326.37	-	-
Non-Current Liabilities	12	2,201.86	2,201.86	-	-
Total Liabilities	13	**7,528.23**	**7,528.23**	**-**	**-**
Total shareholders' equities	14	**2,604.96**	**23,172.86**	**20,567.90**	**789.57**

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB 10000

Item		Book Value	Evaluation Conclusion	Appreciation/ Depreciation	Appreciation/ Depreciation Rate %
		A	B	C=B-A	D=C/A×100%
Total current assets	1	36,263.86	43,477.89	7,214.03	19.89
Total non-current assets	2	36,182.37	176,016.50	139,834.13	386.47
Including: Long-term equity investments	3	-	-	-	
Investment properties	4	-	-	-	
Fixed assets	5	29,477.16	80,446.35	50,969.19	172.91
Construction in progress	6	6,703.20	1,881.41	-4,821.79	-71.93
Intangible assets	7	2.00	93,688.74	93,686.74	4,682,658.97

Item		Book Value	Evaluation Conclusion	Appreciation/ Depreciation	Appreciation/ Depreciation Rate %
		A	B	C=B-A	D=C/A×100%
Including: Intangible assets - land use right	8	-	-	-	
Other non-current assets	9	-	-	-	
Total assets	10	**72,446.23**	**219,494.39**	**147,048.16**	**202.98**
Current liabilities	11	38,080.37	38,080.37	-	-
Non-current liabilities	12	15,741.97	15,741.97	-	-
Total liabilities	13	**53,822.34**	**53,822.34**	-	-
Total shareholders' equities	14	**18,623.89**	**165,672.05**	**147,048.16**	**789.57**

According to the asset-based approach valuation, MHD's total assets have a book value of RMB 724.4623 million and a valuation value of RMB 2,194.9439 million, resulting in an appreciation amount of RMB 1,470,4816 million and an appreciation rate of 202.98%. Total liabilities have a book value of RMB 538.2234 million and a valuation value of RMB 538.2234 million, with no change in value from the valuation. Total shareholders' equities have a book value of RMB 186.2389 million and a valuation value of RMB 1,656.7205 million, resulting in an appreciation amount of RMB 1,470.4816 million and an appreciation rate of 789.57%.

(II) Income Approach Calculation Results

The total equity value of MCC Huaye Duddar Mining Company (PVT.) Limited, as of the valuation date, determined using the income approach, is RMB 1,588.1212 million. This represents an increase of RMB 1,401.8823 million, or 752.37%, compared to the company's book net asset value of RMB 186.2389 million.

(III) Analysis of the Results from the Two Methods

From the above results, it can be observed that the asset-based approach valuation result is RMB 68.5992 million higher than the income approach

valuation result, a difference of 4.32%. A detailed analysis of the reliability and reasonableness of the valuation results from the two methods is provided below.

The income approach is grounded in assessing the asset's profit-generating capacity. It capitalizes or discounts the expected future earnings of the appraised enterprise to determine the valuation object value, reflecting a rationale based on earning prediction. The income approach valuation uses the expected earnings of the assets as the standard of value, reflecting the assets' operational capacity (profitability). In the valuation, the parameters and data used in the income approach are consistent with the revenue, cost, and expense parameters used in the valuation calculation of the core asset, the Duddar Lead-Zinc mining right.

The Asset-Based Approach derives its result based on the assets and liabilities existing as of the valuation date, valuating each item individually. The asset-based approach is a fundamental method for estimating enterprise value from an input perspective, offering a relatively intuitive reflection of the enterprise's value. We believe that the asset-based approach result, determined by appropriately measuring the core assets and reasonably valuating other assets and liabilities, is relatively more credible and robust, and better reflects the market value of the total shareholders' equity.

In summary, we consider the valuation result from the asset-based approach to be more reasonable and to more objectively reflect the market value of the MHD. Therefore, this report adopts the result from the asset-based approach as the final valuation conclusion.

(IV) Valuation Conclusion

Subject to the assumptions and conditions set forth in this report, the total equity value of the total shareholders' equity of MHD subject to valuation as of the valuation date, July 31, 2025, is RMB 1,656.7205 million, in words: RMB One billion six hundred and fifty-six million, seven hundred and twenty

thousand five hundred only.

(V) Validity Period of the Valuation

The validity period for the use of the valuation conclusion in this report is one year from the valuation date, i.e., it is valid for use from July 31, 2025 to July 30, 2026. When the valuation purpose is realized within one year after the valuation date, the valuation conclusion can serve as a reference for this valuation purpose. If it exceeds one year, a new asset valuation must be conducted.

XIII. Notes for Special Matters

Users of this Valuation Report shall pay attention to the potential impact of the following special matters on the valuation conclusion and give them full consideration when making decisions based on this report.

(I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.

(II) This report is based on information required for the valuation provided by MHD, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.

(III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation.

However, this Valuation Report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) Notes on Limitations in valuation Procedures

1. Due to objective constraints, the asset valuation professionals were unable to conduct physical surveys of concealed works and relied solely on relevant documentation provided by the evaluated entity for verification.

2. During the valuation process, while inspecting the equipment, the valuation of the equipment's condition relied primarily on the asset valuation professionals' visual observations, recent inspection data provided by the evaluated entity, and inquiries made to relevant operators, due to limitations in testing methods and the fact that some equipment was in operation.

3. The primary assets of the evaluated entity are located in Pakistan. Given the current severe international situation, it was not feasible to conduct on-site physical asset counts or field surveys. Valuers utilized online surveys as an alternative procedure to complete the verification process for physical assets, enabling a relatively comprehensive understanding of their condition. After analysis, this matter will not have a significant impact on the valuation conclusion.

(V) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VI) Other Key Information Not Provided by the Client

None.

(VII) Matters Related to Mortgages and Guarantees

None.

(VIII) Incomplete Property Ownership Information, Existence of Defects

Therein, and Other Situations Requiring Explanation

1. Based on the *Capital Injection Application*, *Entrusted Agreement for Overseas State-owned Assets Held in Personal Name*, and other relevant materials provided by the enterprise, the evaluated entity's articles of association indicate that all shareholders other than China Huaye Group Company Limited are nominee shareholders. MCC Huaye Duddar Mining Company (PVT.) Limited is a wholly-owned subsidiary of China Huaye Group Company Limited.

2. According to the patent certificates provided by the enterprise, the recorded right holders for the 26 patent assets within the current valuation scope are all China Huaye Group Company Limited. Communication with the enterprise's management revealed that these patent assets were independently developed by MCC Huaye Duddar Mining Company (PVT.) Limited. As overseas companies cannot apply for patent certificates in China, China Huaye Group Company Limited applied for registration on its behalf. The valuers have obtained and correspondingly verified the internal application and approval process documents for these patents within China Huaye Group Company Limited. The actual right holder of these patent assets is MCC Huaye Duddar Mining Company (PVT.) Limited.

3. The buildings and structures within the current valuation scope do not have ownership certificates. The evaluated entity has provided a *Letter of Ownership Commitment*, confirming that the aforementioned assets belong to MCC Huaye Duddar Mining Company (PVT.) Limited.

(IX) Explanation of Other Special Matters

1. The future profit forecast involved in the valuation is based on projections formulated by the management of MHD and confirmed by both MHD and the client. MHD is responsible for the authenticity, scientific validity, and completeness of the relevant data and information supporting the future

profit forecast, as well as for the reasonableness and achievability of the forecast itself. It is the responsibility of the client and relevant parties to provide the necessary materials and ensure the authenticity, legality, and completeness of the materials provided; the responsibility of the asset valuation professionals is to analyze and estimate the value of the valuation object for the specific purpose at the valuation date and to express professional opinions.

1. The valuation assumptions used in this income approach valuation represent a reasonable prediction of the future operations of the valuation object under current conditions. If various unpredictable and unavoidable factors arise in the future that could affect the fulfillment of these assumptions, the degree to which the profit forecast is achieved may be impacted. The asset valuation professionals hereby remind the client and other relevant parties that we do not guarantee the fulfillment of the aforementioned assumptions, nor do we undertake any obligation to achieve or assist in achieving them.

(X) This valuation conclusion does not consider potential changes in tax obligations arising from the valuation appreciation or depreciation.

(XI) Matters occurring between the valuation date and the asset valuation report date that could potentially impact the valuation conclusion.

If the quantity of assets or pricing standards change after the valuation date, affecting the valuation conclusion, this valuation conclusion cannot be used directly and must be adjusted or a re-valuation must be conducted.

(XII) Defects in the economic behavior corresponding to this asset valuation that could have a significant impact on the valuation conclusion.

None.

Users of the Asset Valuation Report shall note the impact of the above special matters on the valuation conclusion.

XIV. Asset Valuation Report Usage Restrictions

(I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.

(II) If the Client or other users of this Asset Valuation Report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its asset valuation professionals shall bear any responsibility.

(III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

(IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

(V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.

(VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XV. Date of the Asset Valuation Report

Date of this report: December 3,2025.

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Legal representative of the valuation institution:

Asset Appraiser:

正式执业会员
资产评估师
李鹏举
11130008

Asset Appraiser:

正式执业会员
资产评估师
杨颖锋
11080051

SinoValue Assets Appraisal Co., Ltd.

December 3 ,2025

This Asset Valuation Report is prepared in accordance with the Chinese Valuation Standards

Asset Valuation Report

on the Entire Equity Interest Project of MCC-JJJ Mining Development Company Limited Involved in the Proposed Transfer of a Subsidiary's Equity by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010159

(This Valuation Report comprises 1 volume. This is Volume 1.)

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Contents

CONTENTS ..... - 1 -

STATEMENT ..... - 2 -

SUMMARY ..... - 4 -

TEXT ..... - 7 -

I. Overview of the Client and the Evaluated Entity ..... - 7 -

II. Valuation Purpose ..... - 13 -

III. Valuation Object and Scope ..... - 13 -

IV. Base of Value and Its Definition ..... - 15 -

V. Valuation Date ..... - 15 -

VI. Valuation Bases ..... - 16 -

VII. Valuation Method ..... - 21 -

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach ..... - 23 -

IX. Application of specific valuation methods in the income approach ..... - 26 -

X. Implementation Process and Situation of the Valuation Procedures ..... - 29 -

XI. Valuation Assumptions ..... - 32 -

XII. Evaluation Conclusion ..... - 35 -

XIII. Notes for Special Matters ..... - 38 -

XIV. Notes on Usage Restrictions for the Assessment Report ..... - 41 -

XV. Date of the Asset Valuation Report ..... - 42 -

Statement

I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.

II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.

III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.

VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client

and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.

VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.

VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on the Entire Equity Interest Project of MCC-JJJ Mining Development Company Limited Involved in the Proposed Transfer of a Subsidiary's Equity by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010159

Summary

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to appraise the market value of the entire equity interest of MCC-JJJ Mining Development Company Limited involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd., as of the valuation date, July 31, 2025. The main content of this Valuation Report is summarized as follows:

I. Valuation Purpose: According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. intends to transfer the equity of its subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to appraise the market value of the entire equity interest of MCC-JJJ Mining Development Company Limited involved in the proposed transfer of a subsidiary's equity, to serve as a reference for this transaction.

II. Valuation Object and Scope: The valuation object is the total equity value of the shareholders of MCC-JJJ Mining Development Company Limited. The valuation scope covers all assets and liabilities of MCC-JJJ Mining

Development Company Limited. As of the valuation date, July 31, 2025, the company's total assets had a book value of RMB 3,219.1833 million, total liabilities had a book value of RMB 568.8594 million, and total shareholders' equities had a book value of RMB 2,650.3239 million.

III. Type of Value: The type of value for the conclusion in this Asset Valuation Report is market value.

IV. Valuation Date: July 31, 2025.

V. Valuation Method: Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the asset-based approach.

VI. Valuation Conclusion: The valuation determined that as of the valuation date, July 31, 2025, the shareholders' total equity value of MCC-JJJ Mining Development Company Limited is RMB 7,513.8024 million. In words: RMB Seven Billion Five Hundred and Thirteen Million Eight Hundred and Two Thousand and Four Hundred Only. Compared with the parent company's book net assets of RMB 2,650.3239 million, the appraised value increased by RMB 4,863.4785 million, representing an appreciation rate of 183.51%; compared with the consolidated book net assets of MCC-JJJ Mining Development Company Limited of RMB 3,598.1710 million, the appraised value increased by RMB 3,915.6314 million,, representing an appreciation rate of 108.82%.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

VII. Special Matters Affecting the Valuation Conclusion:

1. In July 2025, MCC-JJJ Mining Development Company Limited entered into a *Loan Contract* (Contract No. HETO1860000320250500000009) with the Export-Import Bank of China.

According to the agreement, the purpose of loan is for: Ramu Nickel-Cobalt Project, Papua New Guinea; Loan Amount: RMB Three Hundred Million; the loan term is 12 months, commencing from the actual disbursement date. The annual interest rate is 2.4%, calculated using the Internal Rate of Return (IRR) method on a simple interest basis.

2. According to Article 5.6 of the *Master Agreement* (i.e., the Ramu NiCo Project Master Agreement) signed by MCC Ramu NiCo Limited, MCC Ramu NiCo Limited holds an 85% individual interest in the joint venture shares of the various partners. However, after other partners of the joint venture have repaid their loans, the individual interest held by MCC Ramu NiCo Limited in the joint venture will decrease to 80%. Since the aforementioned agreement only applies to the Phase I scenario without expansion, and this appraisal is based on the expansion scenario calculated according to the *Feasibility Study Report for the Ramu Phase II Expansion Project of Ramu NiCo Management (MCC) Limited* prepared by China ENFI Engineering Corporation in May 2025, the potential decrease of MCC Ramu NiCo Limited's individual interest in the joint venture to 80% has not been considered, and an 85% interest is still applied. Users of this report are advised to take note.

3. Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

on the Entire Equity Interest Project of MCC-JJJ Mining Development Company Limited Involved in the Proposed Transfer of a Subsidiary's Equity by Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010159

Text

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to valuate, in accordance with relevant laws and administrative regulations, and adhering to the principles of independence, objectivity, and fairness, the market value of the entire equity interest of MCC-JJJ Mining Development Company Limited involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd. as of the valuation date of July 31, 2025, using both the asset-based approach and the income approach and following the necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. Overview of the Client and the Evaluated Entity

(I) Overview of the Client

Company Name: Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")

Unified Social Credit Code: 91110000710935716X

Registered Address: No. 28 Shuguang Xili, Chaoyang District, Beijing

Legal Representative: Chen Jianguang

Registered Capital: RMB 20,723,619,170

Enterprise Type: Joint Stock Limited Company (Listed, State-Controlled)

Date of Establishment: December 1, 2008

Business Term: December 1, 2008 to No Fixed Term

Business Scope: Domestic and international engineering consulting, survey, design, and general contracting; engineering technology consulting services; leasing of engineering equipment; technology development, technical services, technical exchange, and technology transfer of new materials, new processes, and new products related to engineering and construction; development, production, and sale of equipment required for the metallurgical industry; planning, survey, design, supervision, and services for construction and mechanical & electrical equipment installation projects, as well as related research; investment, processing, utilization, and sale of metallic mineral products; property development and operation; tendering agency; import and export business; sales of mechanical and electrical products, cars, building materials, instruments and meters, and hardware and electrical equipment. (Market entities shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the national and municipal industrial policies.)

(II) Overview of the Evaluated Entity

1. Basic Information of the Enterprise

Company Name: MCC-JJJ Mining Development Company Limited (Hereinafter referred to as "MCC-JJJ Mining")

Unified Social Credit Code: 911100007109349162

Registered Address: Room 2101, Building 1, No. 28 Shuguang Xili, Chaoyang District, Beijing

Legal Representative: Wang Zhou

Registered Capital: RMB 3,095,700,000

Enterprise Type: Other limited liability companies

Date of Establishment: August 6, 2007

Business Term: August 6, 2007 to No Fixed Term

Business Scope: Investment, operation, and management of metal and non-metal mineral resource projects; technical development, technical services, technical exchanges, and technology transfer relating to new materials, new processes, and new products for metal and non-metal mineral resources; import and export operations; sale of metal and non-metal mineral products, textiles, daily chemical products (excluding hazardous chemicals), rubber products, metal products, machinery and equipment, instruments and meters, plastic products, cultural goods, sports goods, communication equipment, and computers. (The enterprise shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the municipal industrial policies.)

2. Shareholder and Equity Structure of the Evaluated Entity as of the Valuation Date

As of the valuation date of July 31, 2025, the company's paid-in capital and registered capital status is as follows:

Serial Number	Name of Contributor	Registered Capital (RMB 10,000)	Paid-in Capital (RMB 10,000)	Shareholding Ratio
1	Metallurgical Corporation of China Ltd.	207,475.80	207,475.80	67.0206%
2	Jiuquan Iron and Steel (Group) Co., Ltd.	40,244.10	40,244.10	13.00%
3	Jilin Jien Nickel Industry Co., Ltd.	40,244.10	40,244.10	13.00%
4	Jinchuan Group Co., Ltd.	21,606.00	21,606.00	6.9794%

Total	**309,570.00**	**309,570.00**	**100.00%**

3. Historical Evolution of the Evaluated Entity

MCC-JJJ Mining Development Company Limited was approved by the State Administration for Industry and Commerce of the People's Republic of China and jointly established by Metallurgical Corporation of China Ltd., Jinchuan Group Co., Ltd., Jilin Jien Nickel Industry Co., Ltd., and Jiuquan Iron and Steel (Group) Co., Ltd. on August 6, 2007, in Beijing, with an initial registered capital of RMB 1.662 billion. The shareholders and their capital contributions at the time of establishment are as follows:

Serial Number	Name of Contributor	Registered Capital (RMB 10,000)	Paid-in Capital (RMB 10,000)	Shareholding Ratio
1	Metallurgical Corporation of China Ltd.	101,382.00	101,382.00	61.00%
2	Jiuquan Iron and Steel (Group) Co., Ltd.	21,606.00	21,606.00	13.00%
3	Jilin Jien Nickel Industry Co., Ltd.	21,606.00	21,606.00	13.00%
4	Jinchuan Group Co., Ltd.	21,606.00	21,606.00	13.00%
Total		**166,200.00**	**166,200.00**	**100.00%**

On April 2, 2014, the company's registered capital was increased to RMB 3.0957 billion, and the post-increase shareholding structure is as follows:

Serial Number	Name of Contributor	Registered Capital (RMB 10,000)	Paid-in Capital (RMB 10,000)	Shareholding Ratio
1	Metallurgical Corporation of China Ltd.	207,475.80	207,475.80	67.0206%
2	Jiuquan Iron and Steel (Group) Co., Ltd.	40,244.10	40,244.10	13.00%
3	Jilin Jien Nickel Industry Co., Ltd.	40,244.10	40,244.10	13.00%
4	Jinchuan Group Co., Ltd.	21,606.00	21,606.00	6.9794%
Total		**309,570.00**	**309,570.00**	**100.00%**

As of the valuation date of July 31, 2025, there have been no changes to the equity structure and capital contributions of MCC-JJJ.

4. Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years

As of the current valuation date, according to the audit conducted by Baker Tilly China Certified Public Accountants (Special General Partnership), the parent company statements of MCC-JJJ Mining showed total assets with a

book value of RMB 3,219.1833 million, total liabilities with a book value of RMB 568.8594 million, and total shareholders' equities with a book value of RMB 2,650.3239 million. The consolidated statements showed total assets with a book value of RMB 6,675.8968 million, total liabilities with a book value of RMB 3,077.7258 million, and total shareholders' equities with a book value of RMB 3,598.1710 million. The primary assets and operating conditions of MCC-JJJ Mining as of the valuation date and for the preceding three years are presented in the following table:

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years (Parent Company Single Statements)

Monetary Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	326,809.85	322,950.98	323,706.12	321,918.33
Total Liabilities	66,382.66	61,042.85	60,008.93	56,885.94
Total shareholders' equities	260,427.19	261,908.14	263,697.19	265,032.39
Item	**2022**	**2023**	**2024**	**January-July 2025**
Revenue	18,010.15	31,879.66	44,447.89	29,656.83
Costs	12,550.02	25,345.65	35,844.36	24,120.31
Operating Profit	3,193.48	1,402.46	2,943.16	1,190.51
Total Profit	3,393.48	1,646.91	3,188.12	1,192.01
Net Profit	3,393.48	1,480.94	1,789.06	1,335.20
Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report Document No.	ZTS Zi (2023) No. 110C019121	ZTS Zi (2024) No. 110C017705	ZTS Zi (2025) No. 110C021438	TZY Zi [2025] No. 41039

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years (Consolidated Statements)

Monetary Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	864,241.57	762,710.66	722,638.78	667,589.68
Total Liabilities	682,678.85	473,816.04	383,522.32	307,772.58
Total shareholders' equities	181,562.72	288,894.62	339,116.46	359,817.10
Item	**2022**	**2023**	**2024**	**January-July 2025**
Revenue	474,555.21	387,511.68	296,522.55	160,790.83
Costs	306,231.66	247,237.86	220,423.05	116,892.34
Operating Profit	126,609.68	103,697.69	46,225.15	22,977.04
Total Profit	126,716.57	102,903.75	45,983.15	22,834.59
Net Profit	126,716.57	102,737.78	44,584.10	22,977.78
Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report Document No.	ZTS Zi (2023) No. 110C019120	ZTS Zi (2024) No. 110C017703	ZTS Zi (2025) No. 110C021441	TZY Zi [2025] No. 41039

(II) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become users of this Valuation Report.

(III) Relationship between the Client and the Evaluated Entity

The client, MCC, is the shareholder of the evaluated entity, MCC-JJJ Mining.

II. Valuation Purpose

According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. intends to transfer the equity of its subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to appraise the market value of the entire equity interest of MCC-JJJ Mining Development Company Limited involved in this transaction, to serve as a reference for the value of the transaction.

III. Valuation Object and Scope

(I) Valuation Object

The valuation object is the shareholders' total equity value of MCC-JJJ Mining Development Company Limited.

(II) Basic Information on Assets and Liabilities Within the Valuation Scope

The valuation scope covers all assets and liabilities of MCC-JJJ Mining Development Company Limited as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the parent company's total asset book value was RMB 3,219.1833 million, the total liability book value was RMB 568.8594 million, and the net asset book value was RMB 2,650.3239 million.

The assets within the valuation scope include current assets and non-current assets. Current assets comprise monetary funds, accounts receivable, funds receivable for centralized management, prepayment, other receivables, and other current assets. Non-current assets include long-term equity investments and fixed assets.

The liabilities within the valuation scope include current liabilities and non-current liabilities. Current liabilities comprise short-term borrowings,

accounts payable, contract liabilities, taxes payable, other payables, non-current liabilities due within one year, and other current liabilities; Non-current liabilities consist of deferred income.

The book status of assets and liabilities is presented in the following table:

Monetary Unit: RMB 10,000

Item	Book Value
Total Current Assets	12,343.16
Total Non-Current Assets	309,575.17
Including: Long-term Equity Investments	309,570.26
Fixed Assets	4.91
Total Assets	**321,918.33**
Current Liabilities	56,870.94
Non-Current Liabilities	15.00
Total Liabilities	**56,885.94**
Total shareholders' equities	**265,032.39**

Details of all assets and liabilities within the valuation scope are provided in the attachment to this report, the *Detailed Asset Valuation Schedule*.

The above-mentioned entrusted valuation object and valuation scope are consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Fixed Assets - Electronic Equipment: MCC-JJJ Mining owns a total of 14 pieces of electronic equipment, including scanners, network switches, air conditioners, and office desks, acquired for routine business operations. According to on-site inspection, almost equipment is in good physical condition and was in stable and normal operating status, among which, the scanner, switch, voice gateway, and tax control printer (model SK830) are in a pending scrapping status as of the valuation date.

2. Long-term Equity Investments: MCC-JJJ Mining holds 100% equity interest in MCC Ramu NiCo Limited, its wholly owned subsidiary. As of the valuation date, MCC Ramu NiCo Limited was operating normally and stably.

(IV) Types and Quantities of Off-Balance-Sheet Assets

None.

(V) Use of Reports from Other Institutions

The book value data of various assets and liabilities as of the valuation date in this valuation report are sourced from the standard unmodified opinion audit report (TZY Zi [2025] No. 41039) issued by Baker Tilly China Certified Public Accountants (Special General Partnership).

IV. Type of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value.

Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

V. Valuation Date

The valuation date for this project is July 31, 2025. The valuation benchmark date was determined by the client.

The rationale for selecting this valuation benchmark date is that it meets the requirements of the relevant economic activities and facilitates the achievement of the valuation purpose. In addition, as the benchmark date coincides with the accounting month-end reporting date of the property owner, it enables the appraisal agency to make full use of the enterprise's existing financial information, thereby contributing to the efficient completion of the

valuation work.

VI. Valuation Bases

The valuation bases followed in this asset valuation primarily include the economic behavior basis, law and regulation bases, asset ownership bases, as well as pricing bases and other reference materials adopted in the valuation and estimation process. Details are as follows:

(I) Economic Behavior Basis

1. Resolution of the Board of Directors of China Minmetals Corporation (2025, 12th Meeting).

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);

2. *Assets Appraisal Law of the People's Republic of China* (approved at the twenty-first session of the Standing Committee of the 12th National People's Congress on July 2, 2016);

3. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);

4. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);

5. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);

6. *Securities Law of the People's Republic of China* (amended on

December 28, 2019, by the 15th Session of the Standing Committee of the 13th National People's Congress);

7. *Mineral Resources Law of the People's Republic of China* (revised on August 27, 2009, by the 10th Session of the Standing Committee of the 11th National People's Congress);

8. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);

9. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

10. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);

11. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);

12. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);

13. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);

14. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);

15. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);

16. Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises (GZCQ [2009] No. 941);

17. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);

18. *Notice on Optimizing Matters Related to the Administration of Central SOE Asset Appraisals* (GZFCQG No. [2024] 8);

19. Interim Measures for the Administration of Overseas State-owned Property Rights of Central Enterprises (Decree No. 27 of the State-owned Assets Supervision and Administration Commission of the State Council, 2011);

20. *Measures for the Administration of the Acquisition of Listed Companies* (revised by Decree No. 108 of the China Securities Regulatory Commission on October 23, 2014);

21. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);

22. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);

23. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);

24. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);

25. *Accounting Standards for Business Enterprises* and other related accounting systems;

26. Other relevant laws, regulations, notices, and documents.

(III) **Basis of Valuation Standards**

1. *General Standards for Asset Valuation* (CZ [2017] No. 43)
2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);
3. *Practice Standards for Assets Valuation - Asset Valuation Procedures* (ZPX [2018] No. 36);
4. *Practice Standards for Assets Valuation - Asset Valuation Report* (ZPX [2018] No. 35);
5. *Practice Standards for Assets Valuation - Valuation Method* (ZPX [2019] No. 35);
6. *Practice Standards for Assets Valuation -Asset Valuation Engagement Contract* (ZPX [2017] No. 33);
7. *Practice Standards for Assets Valuation - Assets Valuation File* (ZPX [2018] No. 37);
8. *Practice Standards for Assets Valuation - Machinery and Equipment* (ZPX [2017] No. 39);
9. *Practice Standards for Assets Valuation - Enterprise Value* (ZPX [2018] No. 38);
10. *Guidelines for Asset Valuation Reports on State-Owned Enterprises* (ZPX [2017] No. 42);
11. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);
12. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);
13. *Guidelines for Asset Valuation Expert No. 12 - Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);

14. Guidance on the Legal Ownership of Asset Valuation Objects (ZPX [2017] No. 48).

(IV) Asset Ownership Bases

1. Business License for Enterprise Legal Person;

2. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);

3. Major asset purchase contracts or vouchers;

4. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Pricing Bases

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;

2. Financial statements and detailed financial ledgers of the valuation date and the previous years;

3. Materials related to financial management, production and operation, and market sales provided by the enterprise;

4. Enterprise revenue, cost, expense analysis, and forecasting materials;

5. The enterprise's fixed asset depreciation method;

6. Enterprise development plans, investment projects, and data on required funds for future years;

7. The enterprise's financial accounting system;

8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;

9. Selected contracts and agreements provided by the enterprise;

10. Data analyzing the enterprise's industry position and market competition;

11. Current national and local tax policies and regulations;

12. Treasury bond yield rates near the valuation date and relevant

indicators of comparable listed companies;

13. Relevant data on A-share listed companies provided by the iFinD software;

14. Relevant financial data and other materials provided by the enterprise;

15. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;

16. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;

2. *Manual of Common Data and Parameters for Asset Valuation*;

3. *Guidelines for Asset Valuation Expert No. 8 - Verification and Validation during Asset Valuation* (ZPX [2019] No. 39);

4 Important business contracts provided by the enterprise;

5. Market research data collected by the asset valuation professionals;

6. Relevant materials from on-site inspections and inquiries by the asset valuation professionals;

7. Relevant materials provided by the enterprise's related departments and personnel;

8. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. Valuation Method

(I) Selection of Valuation Method

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic

valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

The Market Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by comparing it with comparable listed companies or comparable transaction cases. The two commonly used specific methods under the Market Approach are the Guideline Public Company Method and the Guideline Transaction Method. Given the current development of China's property rights market, the specific circumstances of the Evaluated Entity, and limitations in market information conditions, it is difficult to find comparable reference entities and transactions in the market similar to the Evaluated Entity. Therefore, the Market Approach was not adopted for this valuation.

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation is based on going concern assumption. The enterprise can provide complete historical operational and financial data. Management has conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future earnings and operational risks can be quantified, meeting the basic conditions for applying the income approach.

The Asset-Based Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by

evaluating the value of all on-balance-sheet and identifiable off-balance-sheet assets and liabilities of the Evaluated Entity as of the valuation date. Given that for this project, comprehensive information was collected for all assets and liabilities within the entrusted valuation scope, the Asset-Based Approach was deemed appropriate and therefore adopted for this valuation.

Considering factors such as the valuation object, bases of value, and data collection status, both the asset-based approach and the income approach were used for this valuation.

(II) Method for Determining the Valuation Conclusion

Based on the respective outcomes calculated using the two valuation methods, a comprehensive analysis was conducted regarding the completeness of the data used, the reliability of the data, and the reasonableness of the calculated results in the specific application of each method. The result from one of these methods was selected as the final valuation conclusion for this report.

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach

(I) Valuation of Current Assets

1. Monetary Funds

For the assessment of monetary funds, the asset valuation professionals verified bank deposits by examining bank statements, reconciliation statements, and confirming the bank confirmation letters performed by the audit firm. For bank deposits, the valuation value was confirmed as the verified book value.

2. Accounts Receivable

The asset valuation professionals reviewed relevant contracts, agreements, and original vouchers, and verified the confirmation letters

obtained by the auditors. Based on this verification, and utilizing historical data and findings from on-site surveys, they conducted a detailed analysis of the amounts, aging and reasons for the debts, debt recovery status, as well as the fund status, creditworthiness, and operational management of the debtors. The valuation value was determined based on the amount likely to be recovered for each individual debt. For receivables that were fully collectible, the valuation value was calculated based on the total receivables.

3. Funds Receivable for Centralized Management

For the valuation of funds receivable for centralized management, the asset valuation professionals spot-checked relevant accounting vouchers and attachments for verification. The book amounts were verified to be correct, and the valuation value was confirmed based on the recoverable status of the amounts.

4. Advance payments

For valuation to the advance payment, upon verifying the accuracy of the recorded amounts, the valuers analyzed the amount, duration, and reason for the prepayment, as well as the supplier's financial position, creditworthiness, and operational condition based on historical and current information. No evidence was found indicating bankruptcy, dissolution, or breach of supply contracts by suppliers. Therefore, the verified book value was adopted as the valuation value.

5. Other Receivables

For the valuation of Other Receivables, the asset valuation professionals reviewed the relevant accounting records and original vouchers, verified the confirmation letters obtained by the auditors, and found no evidence of bad debts caused by debtor bankruptcy, closure, death, disappearance, or other force majeure events. However, it cannot be guaranteed that bad debt losses will not occur in the future.

6. Other current assets

For the valuation to other current assets, the asset valuation professionals verified tax returns, original vouchers, and supporting documents, and determined the appraised value based on the verified book value.

(II) Long-term Equity Investments

The asset valuation professionals first verified the reasons for the formation of the long-term investments, their book value, and their actual status. They reviewed the articles of association and relevant accounting records of the invested entities to determine the authenticity and completeness of the long-term investments. The valuation of the invested entities was conducted based on this verification. Depending on the specific circumstances of each long-term investment, the following appropriate valuation methods were applied:

1. For long-term equity investments with controlling interest within the valuation scope, a comprehensive extended valuation of the invested entity was performed. The results of the valuation were analyzed to determine the final valuation value of the total equity value of the invested entity.

Valuation Value of the Long-term Equity Investment = Shareholders' Total Equity Valuation Value of the Invested Entity × Shareholding Ratio

(III) Valuation of Equipment Assets

Based on the valuation purpose and adhering to the principle of continuous use, the replacement cost method was primarily used for the valuation of equipment assets, considering market prices, the characteristics of the equipment assets, and the data collected.

As all equipment assets were in normal use, the cost approach was applied as follows:

Valuation Value = Full Replacement Cost× Newness Rate

1. Determination of the Full Replacement Cost

The replacement cost formula was determined based on local market information and other data, reflecting the full replacement cost of electronic equipment as of the valuation date. Manufacturers generally provided free transportation and installation services.

Full replacement cost = Purchase price (including tax)

2. Determination of the Newness Rate

The Age-Life Method was used to determine the newness rate for electronic equipment and general equipment.

Newness Rate = (1 - Years in Service / Economic Service Life) × 100%

Or: Newness Rate = Remaining Usable Life / (Years in Service + Remaining Usable Life) × 100%

3. Determination of valuation value

Valuation value = Full replacement cost × comprehensive newness rate

For scrapped or damaged equipment and spare parts with no residual use value, the net recoverable value was used as the valuated value.

(IV) Valuation of Liabilities

The liabilities declared by the enterprise comprised current liabilities and non-current liabilities. Current liabilities included short-term borrowings, accounts payable, contract liabilities, taxes payable, other payables, the current portion of non-current liabilities, and other current liabilities. Non-current liabilities consist of deferred income. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. Application of specific valuation methods in the income approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be

consistent.

(I) Income Basis - Free Cash Flow To the Firm

The type of income used in the valuation is free cash flow to the firm. Free cash flow to the firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) - Capital expenditures - Change in net working capital.

(II) Income Period

The income projection period for the enterprise was defined as finite, spanning from August 1, 2025, to December 31, 2044.

(III) Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm. There are several sources of funds for enterprises, including equity contributions, bonds, bank loans, lease financing, and retained earnings. Both creditors and shareholders invest funds in a specific enterprise, expecting their investments to be compensated for the opportunity cost of capital. The Weighted Average Cost of Capital refers to the cost of capital calculated by weighting the individual cost of each source of financing according to its proportion in the total capital. In other words, it is the average cost of capital obtained by taking the specific cost of each financing source and applying its relative share in the overall capital structure as the weighting factor. The calculation formula for the WACC is:

$$WACC = \left(\frac{1}{1+D/E}\right)\times \mathrm{Re} + \left(\frac{1}{1+E/D}\right)\times(1-T)\times Rd$$

Wherein: E: The target equity value of the valuation object;

D: The target debt capital value of valuation object;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

The cost of equity capital (Re) was determined using the Capital Asset Pricing Model (CAPM):

$$R_e = R_f + \beta_e (R_m - R_f) + \alpha$$

Wherein: Rf: Risk-free rate of return;

βe: Equity risk coefficient;

Rm: Expected market rate of return;

α: Company-specific risk adjustment factor.

(V) Valuation Calculation Formula for the Income Approach

The calculation formula for the income approach used for the evaluated entity in this valuation is as follows:

$$P = \sum_{i=1}^{n} \frac{A_i}{(1+R)^i} + \frac{B+C}{(1+R)^n} - D + OE$$

Wherein: P -- Valuation value of the total equity value of enterprise shareholders;

Ai -- Free cash flow to the firm for the i^{th} year in the operating period of an enterprise;

B -- Working capital recovered at the end of the revenue period;

C -- Residual value at the end of the forecast period;

R -- Discount rate;

n -- Forecast period of the enterprise's revenue duration, n=1,2,3,...;

D -- Present value of the interest-bearing debt as of the valuation date;

OE -- Present value of the sum of non-operating and surplus

assets and liabilities as of the valuation date.

X. Implementation Process and Situation of the Valuation Procedures

The asset valuation professionals performed the on-site valuation work for the assets and liabilities involved in the valuation object from October 9, 2025 to October 21, 2025. The implementation process of the valuation procedures is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

Our company's business responsible person held discussions with the Client's representative to clarify important matters including: the Client, the Evaluated Entity, and other users of the asset valuation report as stipulated in the asset valuation engagement contract besides the Client; the valuation purpose; the valuation object and scope; the base of value; the valuation date; usage restrictions of the Valuation Report; the submission timeline and method for the Valuation Report; the total valuation service fee, payment timing, and method; and the Client's cooperation and assistance with the asset valuation professionals' work, along with other important matters requiring clarification.

(II) Signing the Asset Valuation Engagement Contract

Based on the specific circumstances of the valuation engagement, our company conducted a comprehensive analysis and evaluation of professional competence, independence, and business risks. The asset valuation institution then decided whether to accept the valuation engagement. Upon accepting the asset valuation engagement, the asset valuation institution shall enter into an asset valuation engagement contract with the Client in accordance with the law, stipulating the rights, obligations, liability for breach of contract, dispute resolution, and other contents between the asset valuation institution and the Client.

(III) Preparation of the Valuation Plan

After accepting this valuation engagement, our company immediately organized asset valuation professionals to prepare an Asset Valuation Plan, determining the appropriate level of detail for the plan reasonably. The Asset Valuation Plan included the main processes and timetable for the implementation of the asset valuation engagement, personnel arrangements, and the technical solution.

(IV) On-site Investigation

Based on the specifics of the valuation assignment, we conducted appropriate on-site investigation of the valuation object. This included:

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;

2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;

3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.

4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

We collected valuation data according to the specific circumstances of the valuation engagement and promptly supplemented the collection as needed according to the requirements of the valuation engagement and changes encountered during its implementation. The collected data included:

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;

2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;

3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation with the Audit Firm

Based on their respective work, the asset valuation professionals performed data reconciliation with the audit firm.

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.

2. Key tasks for the income approach valuation involved asset valuation professionals' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth

research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the result under the income approach.

3. The preliminary results from the asset-based approach and the income approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to the Client.

XI. Valuation Assumptions

(I) General Assumptions

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

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

(II) 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 MCC-JJJ Mining and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. 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.

11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the

assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.

2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

The valuation conclusion in this Report is derived under the above assumptions and limiting conditions. This valuation conclusion shall become invalid if the above assessment assumptions and limiting conditions change significantly.

XII. Evaluation Conclusion

In accordance with relevant national asset valuation regulations, and adhering to the principles of independence, objectivity, and impartiality along with the necessary valuation procedures, the market value of the shareholders' total equity interest of MCC-JJJ Mining Development Company Limited has been valuated. Based on the above valuation work, the following conclusion is presented:

(I) Asset-Based Approach Calculation Results

According to the asset-based approach valuation, MCC-JJJ Mining's total assets have a book value of RMB 3,219.1833 million and a valuation value of RMB 8,082.5493 million, resulting in an appreciation amount of RMB 4,863.3660 million and an appreciation rate of 151.07%. Total liabilities have a book value of RMB 568.8594 million, the valuation value is RMB 568,7469 million, resulting in an impairment amount of RMB 0.1125 million and an impairment rate of -0.02%; Total shareholders' equities have a book value of

RMB 2,650.3239 million and a valuation value of RMB 7,513.8024 million, resulting in an appreciation amount of RMB 4,863.4785 million and an appreciation rate of 183.51%.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB 10,000

Item		Book Value	Evaluation Conclusion	Appreciation/ Depreciation	Appreciation/Depreciation Rate %
		A	B	C=B-A	D=C/A×100%
Total Current Assets	1	12,343.16	12,343.16	-	-
Total Non-Current Assets	2	309,575.17	795,911.77	486,336.60	157.10
Including: Long-term Equity Investments	3	309,570.26	795,907.73	486,337.47	157.10
Fixed Assets	5	4.91	4.04	-0.87	-17.76
Total Assets	10	**321,918.33**	**808,254.93**	**486,336.60**	**151.07**
Current Liabilities	11	56,870.94	56,870.94	-	-
Non-Current Liabilities	12	15.00	3.75	-11.25	-75.00
Total Liabilities	13	**56,885.94**	**56,874.69**	**-11.25**	**-0.02**
Owner's Equity (or Shareholders' Equity)	14	**265,032.39**	**751,380.24**	**486,347.85**	**183.51**

(II) Income Approach Calculation Results

The total equity value of MCC-JJJ Mining, as of the valuation date, determined using the income approach, is RMB 7,748.2705 million. This represents an increase of RMB 5,097.9466 million, or 192.35%, compared to the company's book net asset value of RMB 2,650.323 million.

(III) Analysis of the Results from the Two Methods

From the above results, it can be observed that the income approach valuation result is RMB 234.4681 million higher than the asset-based approach valuation result, a difference of 3.12%. A detailed analysis of the reliability and reasonableness of the valuation results from the two methods is provided below.

The main reason for the difference between the valuation results obtained through the asset-based approach and the income approach lies in the different

perspectives considered by the two valuation methodologies. The asset-based approach evaluates the value of a company based on the replacement cost of its existing assets, reflecting the value of the enterprise's assets from the perspective of asset re-acquisition. While the income approach evaluates the enterprise from the perspective of its future profitability, reflecting the overall profit-generating capacity of all its assets.

The appraised entity primarily performs management functions, with its main business being the supply of raw and auxiliary materials to its subsidiary, MCC Ramu NiCo Limited. The company has a single customer and a highly concentrated business. MCC Ruimu's principal operations involve the open-pit mining of the Ruimu nickel-cobalt mine in Madang Province, Papua New Guinea. The income approach is affected by unstable factors such as international conditions, geopolitical risks, and exchange rates, making it difficult to accurately reflect the true value of the company. The asset-based approach, however, has already accounted for all significant assets affecting the company's value and applied appropriate valuation methods. Therefore, the asset-based approach has been adopted as the basis for the final appraisal conclusion.

(IV) Valuation Conclusion

Subject to the assumptions and conditions set forth in this report, the total equity value of the total shareholders' equity of MCC-JJJ Mining subject to valuation as of the valuation date, July 31, 2025, is RMB 7,513.8024 million, in words: RMB Seven Billion Five Hundred and Thirteen Million Eight Hundred and Two Thousand Four Hundred Only. Compared with the book value of total shareholders'equities under the caliber of MCC-JJJ Mining's parent company, which amounts to RMB 2,650.3239 million, the valuation appreciation is RMB 4,863.4785 million, representing an appreciation rate of 183.51%; Compared with the book value of total shareholders'equities on a

consolidated basis of MCC-JJJ Mining, which amounts to RMB 3,598.1710 million, the valuation appreciation is RMB 3,915.6314 million, representing an appreciation rate of 108.82%.

(V) Validity Period of the Valuation

The validity period for the use of the valuation conclusion in this report is one year from the valuation date, i.e., it is valid for use from July 31, 2025 to July 30, 2026. When the valuation purpose is realized within one year after the valuation date, the valuation conclusion can serve as a reference for this valuation purpose. If it exceeds one year, a new asset valuation must be conducted.

XIII. Notes for Special Matters

Users of this Valuation Report shall pay attention to the potential impact of the following special matters on the valuation conclusion and give them full consideration when making decisions based on this report.

(I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.

(II) This report is based on information required for the valuation provided by MCC-JJJ Mining Development Company Limited, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.

(III) The asset valuation professionals conducted necessary verification

procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) The future profit forecasts involved in this valuation are based on forecasting prepared by the management of MCC-JJJ Company, and have been confirmed by both MCC-JJJ and the client. MCC-JJJ is responsible for the authenticity, scientific basis, and completeness of the relevant data and information provided for the future profit forecasts, as well as for the reasonableness and feasibility of the forecasts themselves. It is the responsibility of the client and other relevant parties to provide the necessary materials and to ensure that the materials supplied are authentic, lawful, and complete. The role of the asset valuation professionals is to analyze and valuate the value of the valuation subject as of the valuation date for the specific purpose of the valuation, and to provide professional opinions accordingly.

(V) The valuation assumptions adopted in this income-based valuation represent reasonable projections of the future operations of the valuation subject under current conditions. Should unforeseen or unavoidable factors arise that may affect the realization of these assumptions, the extent to which the profit forecasts are achieved may be impacted. The asset valuation professionals hereby do not remind the client and other relevant parties that no guarantee is made regarding the realization of the above assumptions, nor do the professionals assume any obligation to realize or assist in realizing such assumptions.

(VI) Notes on Limitations in valuation Procedures

During the valuation process, while inspecting the equipment, the valuation of the equipment's condition relied primarily on the asset valuation professionals' visual observations, recent inspection data provided by the evaluated entity, and inquiries made to relevant operators, due to limitations in testing methods and the fact that some equipment was in operation.

(VII) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VIII) Other Key Information Not Provided by the Client

None.

(IX) Matters Related to Mortgages and Guarantees

None.

(X) Incomplete Property Ownership Information, Existence of Defects Therein, and Other Situations Requiring Explanation

None.

(XI) Other Explanatory Matters

1. Loan Agreement

In July 2025, MCC-JJJ Mining Development Company Limited entered into a *Loan Contract* (Contract No. HETO1860000032025050000009) with The Export-Import Bank of China. According to the agreement, the purpose of loan is for: Ramu Nickel-Cobalt Project, Papua New Guinea; Loan Amount: RMB Three Hundred Million; The loan term is 12 months, commencing from the actual disbursement date. The annual interest rate is 2.4%, calculated using the Internal Rate of Return (IRR) method on a simple interest basis.

2. According to Article 5.6 of the *Master Agreement* (i.e., the Ramu NiCo Project Master Agreement) signed by MCC Ramu NiCo Limited, MCC Ramu NiCo Limited holds an 85% individual interest in the joint venture shares of

the various partners. However, after other partners of the joint venture have repaid their loans, the individual interest held by MCC Ramu NiCo Limited in the joint venture will decrease to 80%. Since the aforementioned agreement only applies to the Phase I scenario without expansion, and this appraisal is based on the expansion scenario calculated according to the *Feasibility Study Report for the Ramu Phase II Expansion Project of Ramu NiCo Management (MCC) Limited* prepared by China ENFI Engineering Corporation in May 2025, the potential decrease of MCC Ramu NiCo Limited's individual interest in the joint venture to 80% has not been considered, and an 85% interest is still applied. Users of this report are advised to take note.

In addition, it is not found that the appraised entity has any major contract, major litigating matter that affects the appraisal; it is not found that appraised entity has any other major matters of mortgage, pledge, guarantee and other contingent liabilities, contingent assets that affect the appraisal.

(XII) Matters occurring between the valuation date and the asset valuation report date that could potentially impact the valuation conclusion.

If the quantity of assets or pricing standards change after the valuation date, affecting the valuation conclusion, this valuation conclusion cannot be used directly and must be adjusted or a re-valuation must be conducted.

(XIII) Defects in the economic behavior corresponding to this asset valuation that could have a significant impact on the valuation conclusion.

None.

Users of the Asset Valuation Report shall note the impact of the above special matters on the valuation conclusion.

XIV. Notes on Usage Restrictions for the Assessment Report

(I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other

economic behaviors other than the valuation purpose.

(II) If the Client or other users of this Asset Valuation Report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its asset valuation professionals shall bear any responsibility.

(III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

(IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

(V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.

(VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XV. Date of the Asset Valuation Report

Date of this report: December 3, 2025.

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Legal representative of the valuation institution:

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December 3, 2025

Asset Valuation Report
Supplementary Information

on Shareholders' Total Equity Value of MCC-JJJ Mining Development Company Limited Involved in the Metallurgical Corporation of China Ltd.'s Proposed Transfer of Subsidiary Equity

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

Summary of Valuation Assumption and Calculation Process for the Income Approach Valuation of the Total Equity Value of MCC Ramu NiCo Limited

I. Introduction to the Application of the Income Approach

The income approach refers to a general term for various valuation methods that judge the value of an asset by estimating the present value of its expected future income. It follows the idea of deriving the principal from profits in asset valuation that is, adopting the approaches and methods of capitalization and discounting to judge and estimate the value of an asset.

II. Base of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value. Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

III. Valuation Assumptions of the Income Approach

(I) 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes 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 limiting the applicability of the valuation conclusion.

4. It is assumed that the evaluated entity will operate based on the production methods, scale, product mix, development technology level, and market supply and demand levels determined by the feasibility study design and construction plan, and that it's operating conditions will not undergo major changes in the foreseeable future.

(II) 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 MCC Ramu NiCo Limited will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. 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.

11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

IV. Specific Form of the Income Approach

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent. Based on the industry, business model, capital structure, and development trends of the Evaluated Entity, the Free Cash Flow to the Firm discount model under the Discounted Cash Flow Method was selected for the Income Approach in this valuation. This model involves discounting the Free Cash Flow to the Firm over the future income period using an appropriate discount rate and summing the results to calculate the value of the operating assets. The value of surplus assets, non-operating assets, and liabilities is then added, and the value of interest-bearing debt is subtracted to ultimately obtain the shareholders' total equity value.

Using the income approach requires that the connotation of the assessed enterprise value, the type of income used, and the basis of the discount rate be consistent.

Shareholders' Total Equity Value = Total Enterprise Value - Interest-Bearing Debt Value

Total Enterprise Value = Value of Operating Assets + Value of Surplus Assets + Value of Non-Operating Assets and Liabilities

(I) Value of Operating Assets

The value of operating assets includes the present value of the Free Cash Flow to the Firm during the detailed forecast period and the present value of the Free Cash Flow to the Firm during the perpetual period following the detailed forecast period.

(II) Income Basis - Free Cash Flow to the Firm

The type of income used in the valuation is free cash flow to the firm. Free Cash Flow to the Firm refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

(III) Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm. The calculation formula for the WACC is:

$$WACC = \left(\frac{E}{V}\right) \times \mathrm{Re} + \left(\frac{D}{V}\right) \times (1-T) \times Rd$$

Wherein: E: Total equity value of the company;

D: Total debt capital value of the company;

V＝E＋D: Total capital of the company;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

(IV) Income Period

The income period of the evaluated entity is limited.

To expand overall production capacity and improve economic benefits, MCC Ramu NiCo Limited, building upon the stable operation of Phase I and the availability

of sufficient resources, has initiated the Phase II expansion project.(Phase II is planned to commence construction in January 2026 and be completed by December 2028. Upon completion of the expansion, the company's production capacity will be significantly increased, with the dry ore processing volume rising from 3.62 million tons to 9.04 million tons.) According to the project feasibility study report, the following information is obtained.

1.Mining scope

The valuation scope mainly includes five mining areas within the mining right and three mining areas within the exploration right.

2. Production Scale

According to the pulp demand of the ore washing plant, the total production scale of the Ramu Mine after expansion is 9.043 million dry tons per year.

3. Resource Quantity Estimation

The resource quantity used in this valuation is based on the *Feasibility Study Report for the Ramu Phase II Expansion Project of MCC Ramu NiCo Limited*.

4. Mine Service Life

The total ore quantity within the open-pit mining boundary is 110.301 million dry tons. After expansion, the total production scale of the Ramu Mine is 9.043 million dry tons per year, and the mine service life is approximately 14 years. Combined with the resources in Exploration Areas 3, 4, and 6, the total ore quantity is 156.151 million dry tons, and the mine service life is approximately 19 years.

That is, the valuation calculation period ends on December 31, 2044.

(V) Valuation Calculation Formula for the Income Approach

The calculation formula for the Income Approach used in this valuation is as follows:

$$P = \sum_{i=1}^{n} \frac{A_i}{(1+R)^i} + \frac{B+C}{(1+R)^n} - D + OE$$

Wherein: P = Total equity valuation value of the enterprise's shareholders;

Ai -- Free cash flow to the firm in year i of the operation period;

B -- Working capital recovered at the end of the revenue period;

C -- Recoverable residual value at the end of the revenue period;

R -- Discount rate;

n -- Forecast period of the enterprise's revenue duration, n=1,2,3,...;

D -- Present value of the interest-bearing debt as of the valuation date;

OE -- Present value of the sum of non-operating and surplus assets and liabilities as of the valuation date.

V. Forecast and Estimation Process of the Income Approach Valuation

MCC Ramu NiCo Limited has forecasted the main aspects of its operations from August 1, 2025 to December 31, 2044, completed and provided the *Income Approach Valuation Declaration Form* to us. We conducted independent analysis and judgment on the future forecasts provided by the enterprise, and carried out the forecast of the enterprise's future operations and income in combination with the on-site inspections of the enterprise by asset valuation professionals.

(I) Forecast of Operating Income and Costs

1. Forecast of Sales Revenue

Based on the production schedule in the *Feasibility Study Report for the Ramu Phase II Expansion Project of MCC Ramu NiCo Limited* compiled by China ENFI Engineering Co., Ltd. in 2025 and provided by MCC Ramu NiCo Limited, after data analysis, the annual income of the joint venture during the valuation period is shown in the following tables:

Forecast Table of Joint Venture Income from 2025 to 2031

Serial Number	Project/Year	2025 August-December	2026	2027	2028	2029	2030	2031
1	MHP - Nickel Cobalt Hydroxide(USD 10,000)	17,897.50	42,997.10	45,386.24	45,386.24	47,691.15	121,028.00	128,622.75
2	Chromium Concentrate (USD 10,000)	1,471.92	3,532.80	3,532.80	3,532.80	3,532.80	8,832.00	8,832.00

Forecast Table of Joint Venture Income from 2032 to 2038

Serial Number	Project/Year	2032	2033	2034	2035	2036	2037	2038
1	MHP - Nickel Cobalt	128,622.75	128,622.75	127,079.67	123,520.88	121,133.34	121,133.34	121,133.34

Serial Number	Project/Year	2032	2033	2034	2035	2036	2037	2038
	Hydroxide(USD 10,000)							
2	Chromium Concentrate (USD 10,000)	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00

Forecast Table of Joint Venture Income from 2039 to 2044

Serial Number	Project/Year	2039	2040	2041	2042	2043	2044
1	MHP - Nickel Cobalt Hydroxide(USD 10,000)	116,051.50	116,051.50	116,051.50	116,051.50	116,051.50	113,543.55
2	Chromium Concentrate (USD 10,000)	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00	8,637.60

With reference to the relevant provisions of the China Mining Right Valuation Standards, it is assumed that all mineral products produced by the mining enterprise are sold in the current period. Based on the aforementioned determined output, sale price of various products and the total sales revenue of the joint venture, the sales revenue in the capacity-reaching year during the valuation period (taking 2028 as an example) is calculated as follows:

According to the *Ramu Nickel-Cobalt Joint Venture Agreement* signed by MCC Ramu NiCo Limited, Article 3.1 clearly stipulates that MCC Ramu NiCo Limited accounts for 85% of the individual shares held by each joint venture party in the joint venture.

Annual sales revenue of nickel cobalt hydroxide = 45,386.00 × 85% × 10,000.00 = 385,781,000.00 (USD)

Annual sales revenue of Chromium Concentrate = 3,532.80 × 85% × 10,000.00 = 30,030,500.00 (USD)

The Commission Income is 2% of the revenue attributable to the joint venture's other stakeholders' shareholding (collectively holding 15%).

Commission Income = (45,386.00 × 15%+3,532.80 × 15%) × 2% × 10,000.00 =1,467,570.00 (USD)

The total sales revenue in the capacity-reaching year during the project valuation period (taking 2028 as an example) is USD 417,279.070.00.

The revenue growth rates from 2026 to 2032 are projected at 3.6%, 5.1%, 0.0%, 4.7%, 153.5%, 5.8%, and 0% respectively. Revenue growth is determined based on

future production and revenue forecasts in the feasibility study report. In 2030, significant revenue growth will result from substantial production increases due to the the Phase II commissioning. From 2032 onward, revenue is expected to maintain stable performance with minor fluctuations.

2. Operating Cost Forecast

As a normally operating enterprise, the various operating costs of MCC Ramu NiCo Limited corresponding to the respective incomes have been generally stable in recent years. For the period from the valuation date to the completion of capacity expansion in 2030, this valuation refers to the average unit cost of the historical period. After the completion of the Phase II expansion in 2030, the design cost in the feasibility study report is referred to.

(1) Product A - Nickel Cobalt Hydroxide

① Raw materials and auxiliary materials: Various raw materials and auxiliary materials consumed in the production of nickel cobalt hydroxide, which belong to the category of material costs. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.

② Fuel: Various fuel consumption required for production, which belong to the category of material costs. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.

③ Labor: Employee compensation such as wages, welfare, and bonuses of personnel in the mining, mineral processing, and smelting workshops during the enterprise's production period (excluding shutdown maintenance periods). The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.

④ Maintenance and inspection fees: Maintenance and inspection fees of the mining, mineral processing, and smelting workshops during the production period (excluding shutdown maintenance periods), which belong to the category of material costs. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.

⑤ Manufacturing expenses: Indirect expenses in the production link excluding direct costs, covering production management, workshop operation and other related expenditures. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.

⑥ Depreciation: The depreciation expenses of fixed assets such as production equipment are calculated and determined in accordance with the enterprise's depreciation policy.

⑦ Amortization of intangible assets: The amortization expenses arising from intangible assets related to production (such as patents, technical licenses) are calculated and determined in accordance with the enterprise's depreciation policy.

⑧ Long-term service fees and severance fees: Long-term service fees and severance fees that fall within the scope of employee compensation are determined with reference to the average unit cost of employee compensation in the historical period.

⑨ Reclamation fees: The reclamation costs after resource mining are included in accordance with the enterprise's cost accounting rules.

⑩ MHP ocean freight: The ocean freight of MHP (intermediate product) belongs to the transportation cost category in material costs, and is determined with reference to the average unit cost of mining, mineral processing, and smelting in the year and period before the valuation date.

(2) Product B - Chromium Concentrate

① Chromium concentrate ocean freight: The ocean freight of chromium concentrate belongs to the transportation cost category in material costs, and is determined with reference to the average unit cost of mining, mineral processing, and smelting in the year and period before the valuation date.

② Chromium concentrate land freight: The land freight of chromium concentrate belongs to the transportation cost category in material costs, and is determined with reference to the average unit cost of mining, mineral processing, and smelting in the year and period before the valuation date.

(II) Forecast of Taxes and Surcharges

The main taxes and surcharges in the historical period of the enterprise are resource tax and production tax; the resource taxes are levied at 2.00% of the operating income, and the production taxes are levied at 0.5% of the operating income. In the

forecast years, the collection methods and tax rates of resource taxes and production taxes remain consistent with those in the historical period. The calculation of income tax is explained in the enterprise income tax forecast.

(III) Forecast of the Enterprise Period Expenses

Period expenses include sales expenses, management expenses and financial expenses.

1. Sales Expenses: Including consulting fees, travel expenses, business entertainment expenses and others. For this valuation, the enterprise determines the sales expenses by combining the historical occurrence situation, the current execution situation of business contracts and the future planning.

2. Management expense include depreciation, employee compensation, office expenses, property management fees, intermediary agency fees, etc. This valuation predicts the administrative expenses by combining the historical occurrence and the enterprise's future plans.

3. Financial Expenses: Including interest income, handling fee expenditures, exchange gains and losses, etc. Handling fees are considered based on the historical average. Since exchange losses are not considered in the valuation model, exchange gains and losses are not predicted.

(IV) Forecast of Non-operating Income and Expenses

Non-operating income and expenses are accidental and non-normal expenses, so they are not predicted in this valuation.

(V) Forecast of Income Tax Expense

In accordance with the laws of the place of registration, the enterprise pays enterprise income taxes on taxable income at the corresponding tax rate. The income tax of the enterprise in the historical period is levied at 30.00% of the operating income. This time, the corresponding enterprise income tax is calculated based on the actual historical occurrence of the enterprise.

(VI) Forecast of Enterprise Net Profit

Through the above forecasts, the total profit of each future period is calculated. The expected net profit of each future year is obtained by subtracting the enterprise income tax from the total profit of each year.

(VII) Forecast of Capital Expenditure

Capital expenditures refer to the expenditures incurred by an enterprise for the purchase and construction of fixed assets or other non-current assets to maintain its operations. The fixed assets of MCC Ramu NiCo Limited mainly include buildings and structures, machinery and equipment, transportation equipment, electronic equipment, intangible assets, and other assets. The company's purchase of assets in future years is for maintaining the existing operating scale and replacing the enterprise's assets.

(VIII) Forecast of Fixed Asset Depreciation and Expense Amortization

The fixed asset construction projects of MCC Ramu NiCo Limited mainly include buildings and structures, machinery and equipment, electronic equipment, etc. In this valuation, the forecast of the company's fixed asset depreciation for future years is made on the basis of estimating the depreciation amount for the future operating period according to the company's fixed asset depreciation policy, using the fixed asset book original value as of the valuation date, the expected service life, the weighting depreciation rate and other factors. The amortization arising from the enterprise's new intangible assets is calculated accordingly in accordance with the enterprise's accounting policy.

(IX) Forecast of Working Capital

Working capital refers to operating funds occupied, which is the difference between operating current assets and operating current liabilities. The increase in working capital refers to the cash occupied by providing commercial credit, the cash maintained for normal operations, accounts receivable and payable, and inventory etc., as the company's business activities change; it also includes a small amount of other receivables and payables necessary for operations. The forecast focuses on sensitive items, which refer to asset and liability items that directly change with sales volume, including notes receivable, accounts receivable, advance payment, inventory, accounts payable, notes payable, advance receipts, taxes payable, employee benefits payable, etc. Usually, the vast majority of the accounting contents of other receivables and other payables are abnormal operating transactions; The occurrence and the amount of such items are not strongly correlated with the scale of business activities, so they are set to remain unchanged in the forecast. Therefore, in principle, the calculation of the increase

in working capital only needs to consider the main factors such as cash, accounts receivable, advance payment, inventory, accounts payable, and advance receipts that need to be maintained for normal operations. For the amounts of these items in subsequent years, the enterprise has also made forecasts based on expansion in the scale of operations and combined with past experience.

The increase in working capital refers to the additional operating capital (a negative value indicates a decrease) that needs to be invested in accordance with the enterprise's forecasted business objectives. The increase in working capital as defined in this report is: Increase in working capital = Current period working capital - Previous period working capital.

(X) Free Cash Flow

The forecasted free cash flow to the firm of MCC Ramu NiCo Limited for the forecast period is calculated by adding non-cash costs and expenses such as fixed asset depreciation and intangible asset amortization to the net profit, plus financial expenses such as interest paid to creditors (after deducting tax impact, which falls within the scope of free cash flow), minus the change in net working capital, and minus capital expenditures.

(XI) Determination of Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm. The calculation formula for the WACC is:

$$WACC = \left(\frac{E}{V}\right) \times \mathrm{Re} + \left(\frac{D}{V}\right) \times (1 - T) \times Rd$$

Wherein: E: Total equity value of the company;

D: Total debt capital value of the company;

V＝E＋D: Total capital of the company;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

The return on equity is determined using the Capital Asset Pricing Model (CAPM):

$$R_e = R_f + \beta_e (R_m - R_f) + \alpha$$

The determination process for each parameter involved in the Capital Asset Pricing Model (CAPM) formula is elaborated on separately as follows:

1. Risk-free rate of return (Rf)

The risk-free rate of return refers to the expected rate of return of investors on risk-free assets. Since there is no mature capital market in Papua New Guinea where the evaluated entity is located, considering that the buyer's country is China, and the evaluated entity is a Chinese-funded holding enterprise with its products mainly sold to China, the selection of relevant parameters this time refers to the relevant data of China's capital market, and the country-specific differences are considered in the enterprise-specific risk adjustment coefficient. For this project, the yield to maturity of Chinese treasury bonds with a remaining term of more than ten years as of the valuation date of July 31, 2025 is adopted as the risk-free rate of return, with a value of 2.84% (retained to two decimal places).

2. Market Risk Premium (Rm--Rf)

(Rm--Rf) is the market risk premium, which refers to the expected excess return required by investors for equity investments with the same risk as the overall market, i.e., the risk premium exceeding the risk-free rate.

The market investment return rate was calculated by averaging the annualized rates of return based on the closing prices of the CSI 300 Index on the Shanghai Stock Exchange and Shenzhen Stock Exchange. After calculation, the market investment return rate for 2025 stood at 9.39%.

As of July 31, 2025, the risk-free rate of return was set at 2.84%, which is the yield to maturity of national bonds with a remaining term of over 10 years as of the valuation date. Accordingly, the market risk premium as of July 31, 2025, was calculated to be 6.55%.

3. Equity Systematic Risk Coefficient (βe)

βe is an indicator to measure the systematic risk of the company, with the following calculation formula:

$$\beta_e = \beta_u \times (1 + \frac{(1-T) \times D}{E})$$

Wherein: βe is the systematic risk coefficient of leveraged equity;

βu is the systematic risk coefficient of unleveraged equity;

T is the income tax rate of the evaluated enterprise;

D/E is the target capital structure of the evaluated enterprise.

MCC Ramu NiCo Limited was established in August 2005, with the main business of mining, processing, smelting, and sales of nickel-cobalt ore resources. For this valuation, we adopt the following basic standards as the selection criteria for screening comparable listed companies. (1) The selection scope of comparable companies is listed companies on the Shanghai and Shenzhen Stock Exchanges; (2) Comparable companies belong to the same industry as the evaluated entity.

According to the enterprise status and business characteristics of the evaluated entity, combined with the above screening criteria for comparable listed companies, asset valuation professional queried the leveraged equity beta values of 22 comparable A-share listed companies on the Shanghai and Shenzhen Stock Exchanges through the iFinD Information System, then converted them into βu values according to the income tax rates and capital structures of the comparable listed companies, and took the average value as the value of the evaluated entity.

Serial Number	Stock Code	Stock Name	Adjusted Original βe	D/E	Enterprise Income Tax Rate	Unleveraged Equity βu Value
1	600362.SH	Jiangxi Copper	0.9995	1.2732	15.00%	0.4800
2	601168.SH	Western Mining	1.0667	0.7410	25.00%	0.6857
3	601899.SH	Zijin Mining	0.8957	0.4202	15.00%	0.6600
4	000737.SZ	North Copper	1.1757	0.5808	25.00%	0.8190
5	000878.SZ	Yunnan Copper	1.0965	0.7372	15.00%	0.6741
6	600301.SH	Huaxi Nonferrous	1.3046	0.0980	25.00%	1.2153
7	600338.SH	XIZANG ZHUFENG	1.2832	0.0234	25.00%	1.2611
8	600489.SH	ZhongJin Gold	0.7472	0.3037	25.00%	0.6086
9	600490.SH	Pengxin International Mining	1.1974	0.0968	25.00%	1.1164
10	600497.SH	Chihong Zn & Ge	1.1030	0.2074	15.00%	0.9377
11	600711.SH	Chengtun Mining	1.3132	0.7131	25.00%	0.8556
12	600988.SH	Chifeng Gold	0.5248	0.1093	25.00%	0.4850
13	601020.SH	Huayu Mining	1.3217	0.0734	9.00%	1.2389
14	601212.SH	Baiyin Nonferrous	1.0831	0.9289	15.00%	0.6052

Serial Number	Stock Code	Stock Name	Adjusted Original βe	D/E	Enterprise Income Tax Rate	Unleveraged Equity βu Value
15	603132.SH	JIN HUI INC.	1.0133	0.2096	15.00%	0.8601
16	603993.SH	CMOC Group	1.1344	0.3849	15.00%	0.8548
17	000060.SZ	Nonfemet	1.0669	1.1112	15.00%	0.5487
18	000426.SZ	Xingye Silver & Tin	1.3148	0.1160	25.00%	1.2096
19	000603.SZ	SHENGDA RESOURCES	1.1816	0.1835	25.00%	1.0387
20	000688.SZ	GUOCHENG MINING CO.,LTD.	1.3661	0.1711	25.00%	1.2107
21	000758.SZ	CNMC	1.2299	0.5585	25.00%	0.8668
22	000960.SZ	YUNNAN TIN COMPANY LIMITED	1.2963	0.5303	15.00%	0.8935
	Average		1.1234	0.4351	0.2018	0.8693
	Standard deviation		0.2036	0.3588	0.0554	0.2578
	Coefficient of Variation		18.12%	82.46%	27.45%	29.66%

Finally, asset valuation professionals obtained the average unleveraged equity beta value of 22 sample companies as 0.8693. Subsequently, asset valuation professionals can calculate the enterprise beta value used this time:

$$\beta_e = \beta_u \times \frac{E + D(1-T)}{E}$$

Wherein: D/E is the industry average D/E of 43.51%, and T is the enterprise income tax rate, thus calculating the leveraged equity beta value of the enterprise as 1.1341.

4. Enterprise-specific Risk Adjustment Coefficient (α)

The enterprise-specific risk adjustment coefficient is an adjustment for the differences in advantages and disadvantages formed between the evaluated enterprise and the selected comparable companies in terms of enterprise scale, management capability, development stage, client concentration, etc. Explanation of the Value Assignment for Each Risk Adjustment Factor:

(1) Enterprise Scale

As of the valuation date, the total asset scale of the evaluated entity is relatively small. Compared with comparable companies, the evaluated entity has a smaller asset scale and certain disadvantages in industry competition and resistance to operational

risks; at the same time, considering that the core assets of the evaluated entity are operated under lease, with no large-scale investment itself, the losses that may be caused by operational risks are relatively small. Comprehensively considering this aspect, the specific risk adjustment coefficient is 0.5%.

(2) Operational Management Capability

Comparable companies are all listed companies, while the evaluated entity is a non-listed enterprise. Compared with those with more sound internal control and more professional management teams, the evaluated entity has certain deficiencies in operational management capability. Therefore, compared with its comparable companies, the evaluated entity has certain deficiencies in operational management capabilities, and the specific risk adjustment coefficient for this aspect is set at 0.5%.

(3) Development Stage

The business of the evaluated entity has been operated for many years and is currently stable. Compared with comparable companies, the specific risk adjustment coefficient for this aspect is 0.0%.

(4) Client Concentration

The client concentration of the evaluated entity is relatively high, while that of comparable companies is not so high. Therefore, compared with comparable companies, the evaluated entity faces higher client concentration risk, and the specific risk adjustment coefficient for this aspect is 0.5%.

(5) Resource Regional Risk

The mine of the evaluated entity is located in Papua New Guinea. Considering the country-specific risk, the specific risk adjustment coefficient for this aspect is 3.00%.

After comprehensive consideration, the enterprise-specific risk adjustment coefficient α for this time is 4.50%.

5. Determination of Forecast Period Discount Rates

5.1. Calculation of Cost of Equity

Substitute the above-determined parameters into the cost of equity calculation formula to obtain the cost of equity as follows:

$$R_e = R_f + \beta_e (R_m - R_f) + \alpha$$

$=2.84\%+1.1341\times6.55\%+4.50\%$

$=14.77\%$

5.2. Calculation of Weighted Average Cost of Capital

The cost of interest-bearing debt (Rd) of the evaluated entity is based on the actual debt cost in the loan contract as of the valuation date. Substitute the above-determined parameters into the Weighted Average Cost of Capital calculation formula to calculate the Weighted Average Cost of Capital of the evaluated entity.

5.3. Determination of Discount Rates

Based on the calculation results of the above data, the Weighted Average Cost of Capital (WACC) is computed as follows:

$$WACC = \left(\frac{E}{V}\right) \times \mathrm{Re} + \left(\frac{D}{V}\right) \times (1-T) \times Rd$$

$=11.27\%$

(XII) Discount Calculation of Free Cash Flow to the Firm

1. Estimation of the Value of Operating Assets

Estimation of Operating Asset Value Substitute the above data into Formula $P = \sum_{i=1}^{n} \frac{R_i}{(1+r)^i} + \frac{R_{n+1}}{r(1+r)^n}$ to obtain the valuation value of operating assets as USD 1,233,816,670.

2. Non-operating Assets / Surplus Assets

After analysis, the net amount of surplus, non-operating assets and liabilities of MCC Ramu NiCo as of the valuation date is the sum of surplus assets and non-operating assets and liabilities, totaling USD 7,364,310.

3. Interest-Bearing Debt

As of the valuation date, the interest-bearing liabilities of Ramu Nickel-Cobalt within the valuation scope are USD 127,929,900.

4. Income Approach Valuation Result

The total equity value of the shareholders of Ramu Nickel-Cobalt evaluated by the income approach is obtained by adding back the surplus assets and liabilities to the operating asset value.

Income Approach Calculation Sheet for the Valuation of Shareholders' Total Equity Value

Monetary unit: USD 1,000

Project / Year	August - December 2025	2026	2027	2028	2029	2030	Remarks
I. Operating income	165,226.10	396,900.90	417,279.07	417,279.07	436,940.72	1,107,705.80	Refer to *V. (I) Forecast of Operating Revenue and Costs* for detailed calculation logic
Wherein: Main business income	165,226.10	396,900.90	417,279.07	417,279.07	436,940.72	1,107,705.80	
II. Operating costs	128,988.65	315,238.54	316,480.81	317,374.99	317,394.59	704,364.12	
Wherein: Main business costs	128,988.65	315,238.54	316,480.81	317,374.99	317,394.59	704,364.12	
Taxes and surcharges	3,817.78	9,171.67	9,676.74	9,676.74	10,164.22	25,811.02	Refer to *V. (II) Forecast of Taxes and Surcharges* for detailed calculation logic
Sales expenses	1,953.84	4,689.22	4,689.22	4,689.22	4,689.22	12,191.96	Refer to *V. (III) Forecast of the Enterprise's Period Expenses* for detailed calculation logic
Management expenses	4,302.70	10,326.49	20,326.49	20,326.49	20,326.49	26,848.87	
Financial expenses	1,443.72	391.84	6,296.13	23,556.85	50,428.26	41,886.56	
III. Operating Profit	**24,719.41**	**57,083.14**	**59,809.68**	**41,654.78**	**33,937.94**	**296,603.27**	
IV. Total Profit	**24,719.41**	**57,083.14**	**59,809.68**	**41,654.78**	**33,937.94**	**296,603.27**	
Minus: Income tax expenses	0	17,124.95	17,942.91	12,496.44	10,181.39	88,980.98	Refer to *V. (V) Forecast of Income Tax Expense* for detailed calculation logic
V. Net Profit	**24,719.41**	**39,958.19**	**41,866.77**	**29,158.34**	**23,756.55**	**207,622.29**	
Plus: Depreciation	29,312.80	71,097.00	72,389.00	73,035.00	73,035.00	174,426.60	Refer to *V. (VIII) Forecast of Fixed Asset Depreciation and Expense Amortization* for detailed calculation logic
Amortization	58.29	140.02	140.02	340.25	340.25	340.25	
Interest expenses (after tax effect)	4,504.78	2,187.34	5,937.53	17,608.39	36,006.85	29,566.85	
Minus: Additional working capital investment	10,436.98	17,000.00	206,776.70	523,844.49	588,380.57	19,104.00	Refer to *V. (IX) Forecast of Working Capital* for detailed calculation logic
Minus: Capital expenses	49,567.83	4,161.98	6,113.45	0	5,898.50	201,229.52	Refer to *V. (VII) Forecast of Capital Expenditures* for detailed calculation logic
VI. Free Cash Flow to the Firm	**-1,409.53**	**92,220.57**	**-92,556.83**	**-403,702.51**	**-461,140.42**	**191,622.47**	
1. Annual discount rates	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	Refer to *V. (XI) Determination of Discount Rate* for the selection of the discount rate
2. Number of years in the current period	0.2083	0.9167	0.9167	1.9167	2.9167	3.9167	-
3. Discount factor	0.978	0.9067	0.9067	0.8149	0.7324	0.6582	-
4. Present value of free cash flow	-1,378.52	83,616.39	-83,921.28	-328,977.18	-337,739.24	126,125.91	-
5. Cumulative present value of free cash flow	-1,378.52	82,237.87	-1,683.41	-330,660.59	-668,399.83	-542,273.92	-

Project / Year	2031 年	2032 年	2033 年	2034 年	2035 年	2036 年	Remarks
I. Operating income	1,172,491.15	1,172,491.15	1,172,491.15	1,159,329.36	1,128,971.09	1,108,601.45	Refer to *V. (I) Forecast of Operating Revenue and Costs* for detailed calculation logic
Wherein: Main business income	1,172,491.15	1,172,491.15	1,172,491.15	1,159,329.36	1,128,971.09	1,108,601.45	
II. Operating costs	707,711.29	684,102.34	665,033.37	665,727.44	660,904.58	656,643.87	
Wherein: Main business costs	707,711.29	684,102.34	665,033.37	665,727.44	660,904.58	656,643.87	
Taxes and surcharges	27,352.24	27,352.24	27,352.24	27,025.92	26,297.47	25,808.72	Refer to *V. (II) Forecast of Taxes and Surcharges* for detailed calculation logic
Sales expenses	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	Refer to *V. (III) Forecast of the*
Management expenses	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	

Financial expenses	33,129.77	23,988.35	14,788.35	5,588.35	0	0	*Enterprise's Period Expenses* for detailed calculation logic
III. Operating Profit	**365,257.02**	**398,007.39**	**426,276.36**	**421,946.82**	**402,728.21**	**387,108.03**	
IV. Total Profit	**365,257.02**	**398,007.39**	**426,276.36**	**421,946.82**	**402,728.21**	**387,108.03**	
Minus: Income tax expenses	109,577.11	119,402.22	127,882.91	126,584.05	120,818.47	116,132.41	Refer to *V. (V) Forecast of Income Tax Expense* for detailed calculation logic
V. Net Profit	**255,679.91**	**278,605.17**	**298,393.45**	**295,362.77**	**281,909.74**	**270,975.62**	
Plus: Depreciation	175,137.90	145,518.60	126,426.70	127,156.80	127,866.70	128,607.00	Refer to *V. (VIII) Forecast of Fixed Asset Depreciation and Expense Amortization* for detailed calculation logic
Amortization	340.25	340.25	340.25	340.25	329.39	322.15	
Interest expenses (after tax effect)	23,126.85	16,686.85	10,246.85	3,806.85	0	0	
Minus: Additional working capital investment	26,706.00	27,677.00	29,002.00	29,504.00	27,000.00	31,003.00	Refer to *V. (IX) Forecast of Working Capital* for detailed calculation logic
Minus: Capital expenses	19,435.61	0	0	-3,948.54	-9,107.48	-6,110.89	Refer to *V. (VII) Forecast of Capital Expenditures* for detailed calculation logic
VI. Free Cash Flow to the Firm	**408,143.30**	**413,473.87**	**406,405.25**	**401,111.21**	**392,213.31**	**375,012.66**	
1. Annual discount rates	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	Refer to *V. (XI) Determination of Discount Rate* for the selection of the discount rate
2. Number of years in the current period	4.9167	5.9167	6.9167	7.9167	8.9167	9.9167	-
3. Discount factor	0.5915	0.5316	0.4778	0.4294	0.3859	0.3468	-
4. Present value of free cash flow	241,416.76	219,802.71	194,180.43	172,237.15	151,355.12	130,054.39	-
5. Cumulative present value of free cash flow	-300,857.16	-81,054.45	113,125.98	285,363.13	436,718.25	566,772.64	-

Project / Year	2037 年	2038 年	2039 年	2040 年	2041 年	2042 年	Remarks
I. Operating income	1,108,601.45	1,108,601.45	1,065,260.52	1,065,260.52	1,065,260.52	1,065,260.52	Refer to *V. (I) Forecast of Operating Revenue and Costs* for detailed calculation logic
Wherein: Main business income	1,108,601.45	1,108,601.45	1,065,260.52	1,065,260.52	1,065,260.52	1,065,260.52	
II. Operating costs	657,272.64	675,053.19	702,644.16	703,281.33	703,927.33	703,936.16	
Wherein: Main business costs	657,272.64	675,053.19	702,644.16	703,281.33	703,927.33	703,936.16	
Taxes and surcharges	25,808.72	25,808.72	24,758.29	24,758.29	24,758.29	24,758.29	Refer to *V. (II) Forecast of Taxes and Surcharges* for detailed calculation logic
Sales expenses	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	Refer to *V. (III) Forecast of the Enterprise's Period Expenses* for detailed calculation logic
Management expenses	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	
Financial expenses	0	0	0	0	0	0	
III. Operating Profit	**386,479.26**	**368,698.71**	**298,817.24**	**298,180.07**	**297,534.07**	**297,525.24**	
IV. Total Profit	**386,479.26**	**368,698.71**	**298,817.24**	**298,180.07**	**297,534.07**	**297,525.24**	
Minus: Income tax expenses	115,943.78	110,609.62	89,645.17	89,454.02	89,260.22	89,257.57	Refer to *V. (V) Forecast of Income Tax Expense* for detailed calculation logic
V. Net Profit	**270,535.48**	**258,089.09**	**209,172.07**	**208,726.05**	**208,273.85**	**208,267.67**	
Plus: Depreciation	129,258.70	126,450.30	126,924.50	127,584.60	128,230.60	128,216.50	Refer to *V. (VIII) Forecast of Fixed Asset Depreciation and Expense Amortization* for detailed calculation logic
Amortization	322.15	322.15	311.29	311.29	311.29	311.29	
Interest expenses (after tax effect)	0	0	0	0	0	0	
Minus: Additional working capital investment	17,852.00	19,278.00	43,310.00	19,104.00	0	0	Refer to *V. (IX) Forecast of Working Capital* for detailed calculation logic
Minus: Capital expenses	0	0	-13,002.28	0	0	0	Refer to *V. (VII) Forecast of Capital Expenditures* for detailed calculation logic
VI. Free Cash Flow to the Firm	**382,264.33**	**365,583.54**	**306,100.14**	**317,517.94**	**336,815.74**	**336,795.46**	
1. Annual discount rates	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	Refer to *V. (XI) Determination of Discount Rate* for the selection of the discount rate

2. Number of years in the current period	10.9167	11.9167	12.9167	13.9167	14.9167	15.9167	-
3. Discount factor	0.3117	0.2801	0.2517	0.2262	0.2033	0.1827	-
4. Present value of free cash flow	119,151.79	102,399.95	77,045.41	71,822.56	68,474.64	61,532.53	-
5. Cumulative present value of free cash flow	685,924.43	788,324.38	865,369.79	937,192.35	1,005,666.99	1,067,199.52	-

Project / Year	2043 年	2044 年	\	\	\	\	Remarks
I. Operating income	1,065,260.52	1,042,212.46	\	\	\	\	Refer to *V. (I) Forecast of Operating Revenue and Costs* for detailed calculation logic
Wherein: Main business income	1,065,260.52	1,042,212.46	\	\	\	\	
II. Operating costs	606,026.13	587,496.71	\	\	\	\	
Wherein: Main business costs	606,026.13	587,496.71	\	\	\	\	
Taxes and surcharges	24,758.29	24,222.88	\	\	\	\	Refer to *V. (II) Forecast of Taxes and Surcharges* for detailed calculation logic
Sales expenses	12,191.96	12,191.96	\	\	\	\	Refer to *V. (III) Forecast of the Enterprise's Period Expenses* for detailed calculation logic
Management expenses	26,848.87	26,848.87	\	\	\	\	
Financial expenses	0	0	\	\	\	\	
III. Operating Profit	**395,435.27**	**391,452.04**	\	\	\	\	
IV. Total Profit	**395,435.27**	**391,452.04**	\	\	\	\	
Minus: Income tax expenses	118,630.58	117,435.62	\	\	\	\	Refer to *V. (V) Forecast of Income Tax Expense* for detailed calculation logic
V. Net Profit	**276,804.69**	**274,016.42**	\	\	\	\	
Plus: Depreciation	30,400.80	30,328.90	\	\	\	\	Refer to *V. (VIII) Forecast of Fixed Asset Depreciation and Expense Amortization* for detailed calculation logic
Amortization	311.29	304.57	\	\	\	\	
Interest expenses (after tax effect)	0	0	\	\	\	\	
Minus: Additional working capital investment	0	-162,512.40	\	\	\	\	Refer to *V. (IX) Forecast of Working Capital* for detailed calculation logic
Minus: Capital expenses	0	-319,578.16	\	\	\	\	Refer to *V. (VII) Forecast of Capital Expenditures* for detailed calculation logic
VI. Free Cash Flow to the Firm	**307,516.78**	**786,740.45**	\	\	\	\	
1. Annual discount rates	11.27%	11.27%	\	\	\	\	Refer to *V. (XI) Determination of Discount Rate* for the selection of the discount rate
2. Number of years in the current period	16.9167	17.9167	\	\	\	\	-
3. Discount factor	0.1642	0.1476	\	\	\	\	-
4. Present value of free cash flow	50,494.26	116,122.89	\	\	\	\	-
5. Cumulative present value of free cash flow	1,117,693.78	1,233,816.67	\	\	\	\	-

6. Discounted valuation value of free cash flow to the firm	1,233,816.67	7. Plus: Enterprise redundant and non-operating assets	7,364.31
8. Interest-bearing liabilities	127,929.90	9. Total equity valuation value of the enterprise's shareholders	1,113,251.08

Note 1: Production capacity and revenue increase significantly upon the completion of the Phase II expansion in 2030.

Note 2: Revenue shows a slight decline from 2034 to 2044 due to a decrease in the grade of processed ore.

Free Cash Flow to the Firm in the above table refers to the cash flow attributable to all investors, including shareholders and holders of interest-bearing debt. It is calculated as follows:

Free Cash Flow to the Firm = Net Profit After Tax + Depreciation and Amortization + Interest Expense (after tax effect) - Capital Expenditures - Change in Net Working Capital

5.The shareholders' total equity value of Ramu Nickel-Cobalt, as of the valuation dates (July 31, 2025), determined using the income approach, and is USD 1,113,251,080.

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Asset Appraiser:

Asset Appraiser:

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

This Asset Valuation Report is prepared in accordance with the Chinese Valuation Standards

Asset Valuation Report

on the Shareholders' Total Equity Value of Ramu NiCo Management (MCC) Limited in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010160

(This Valuation Report comprises 1 volume. This is Volume 1.)

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

Contents

CONTENTS ..... - 2 -

STATEMENT ..... - 3 -

SUMMARY ..... - 5 -

TEXT ..... - 7 -

I. Overview of the Client and the Evaluated Entity ..... - 7 -

II. Valuation Purpose ..... - 11 -

III. Valuation Object and Scope ..... - 11 -

IV. Base of Value and Its Definition ..... - 13 -

V. Valuation Date ..... - 13 -

VI. Valuation Bases ..... - 14 -

VII. Valuation Method ..... - 18 -

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach ..... - 19 -

IX. Implementation Process and Situation of the Valuation Procedures ..... - 24 -

X. Valuation Assumptions ..... - 27 -

XI. Evaluation Conclusion ..... - 30 -

XII. Notes for Special Matters ..... - 31 -

XIII. Notes on Usage Restrictions for the Assessment Report ..... - 33 -

XIV. Date of the Asset Valuation Report ..... - 34 -

Statement

I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.

II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.

III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.

VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and

other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.

VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.

VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on the Shareholders' Total Equity Value of Ramu NiCo Management (MCC) Limited in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB Zi [2025] No. 010160

Summary

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the shareholders' total equity interest of Ramu NiCo Management (MCC) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. The main content of this Valuation Report is summarized as follows:

I. Valuation Purpose: According to the *Resolution of the Board of Director of China Minmetals Corporation* (the 12th of Meeting of the Board of Directors in 2025), Metallurgical Corporation of China Ltd. intends to Transfer the equity of a subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to valuate the market value of the shareholders' total equity interest of Ramu NiCo Management (MCC) Limited related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

II. Valuation Object and Scope: The valuation object is the shareholders' total equity value of Ramu Nico Management (MCC) Limited. The valuation scope covers all assets and liabilities of Ramu Nico Management (MCC) Limited. As of the valuation date, July 31, 2025, the company's total assets had a total book value of RMB 5.033 million, total liabilities had a book

value of RMB 5.0304 million, and net assets had a book value of RMB 0.0026 million.

III. Base of Value: The base of value for the conclusion in this Asset Valuation Report is market value.

IV. Valuation Date: July 31, 2025.

V. Valuation Method: Asset-based approach.

VI. Valuation Conclusion: The valuation determined that as of the valuation date, July 31, 2025, the shareholders' total equity valuation value of Ramu Nico Management (MCC) Limited is RMB 10.9139 million. In words: RMB Ten Million Nine Hundred and Thirteen Thousand Nine Hundred Only.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

VII. Special Matters Affecting the Valuation Conclusion: Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

on the Shareholders' Total Equity Value of Ramu NiCo Management (MCC) Limited in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB Zi [2025] No. 010160

Text

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to valuate the market value of the shareholders' total equity interest of Ramu Nico Management (MCC) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. This was conducted in accordance with laws and administrative regulations, adhering to the principles of independence, objectivity, and impartiality, employing the Asset-Based Approach, and following necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. Overview of the Client and the Evaluated Entity

(I) Overview of the Client

Company Name: Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")

Unified Social Credit Code: 91110000710935716X

Registered Address: No. 28 Shuguang Xili, Chaoyang District, Beijing

Legal Representative: Chen Jianguang

Registered Capital: RMB 20,723,619,170

Enterprise Type: Joint Stock Limited Company (Listed, State-Controlled)

Date of Establishment: December 1, 2008

Business Term: December 1, 2008 to No Fixed Term

Business Scope: Domestic and international engineering consulting, survey, design, and general contracting; engineering technology consulting services; leasing of engineering equipment; technology development, technical services, technical exchange, and technology transfer of new materials, new processes, and new products related to engineering and construction; development, production, and sale of equipment required for the metallurgical industry; planning, survey, design, supervision, and services for construction and mechanical & electrical equipment installation projects, as well as related research; investment, processing, utilization, and sale of metallic mineral products; property development and operation; tendering agency; import and export business; sales of mechanical and electrical products, cars, building materials, instruments and meters, and hardware and electrical equipment. (Market entities shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the national and municipal industrial policies.)

(II) Overview of the Evaluated Entity

1. Basic Information of the Enterprise

Company Name: Ramu Nico Management (MCC) Limited (Hereinafter referred to as: "Ramu Management Company")

Registration Certificate No.: 1-54529

Company Address: Posman Kua Aisi Lawyers, Level 1, MogoruMoto Building, Port Moresby, National Capital District, Papua New Guinea

Registered Capital: PGK 1,000.00

Date of Establishment: August 17, 2005

The company's shareholder is Metallurgical Corporation of China Ltd., with a capital contribution ratio of 100%. The company does not engage in any actual business activities.

2. Shareholder and Equity Structure of the Evaluated Entity as of the Valuation Date

As of the valuation date of July 31, 2025, Ramu Management Company's equity was 100% held by MCC:

Shareholder Name	Registered Capital (PGK)	Capital Contribution Ratio
Metallurgical Corporation of China Ltd.	1,000.00	100%
Total	**1,000.00**	**100%**

3. Historical Evolution of the Evaluated Entity

Ramu Management Company was established in Papua New Guinea on August 17, 2005, obtaining the Certificate of Incorporation No. 1-54529 issued by the Registrar of Companies of Papua New Guinea. The registered capital was: PGK 1,000.00. The shareholder is Metallurgical Corporation of China Ltd., with a capital contribution ratio of 100%.

Shareholder Name	Registered Capital (PGK)	Capital Contribution Ratio
Metallurgical Corporation of China Ltd.	1,000.00	100%
Total	**1,000.00**	**100%**

As of the valuation date of July 31, 2025, there have been no changes to the equity structure and capital contributions of Ramu Management Company.

4. Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years

As of the valuation date, according to the audit conducted by Baker Tilly China Certified Public Accountants (Special General Partnership), Ramu Management Company showed total assets with a book value of RMB 5.033 million, total liabilities with a book value of RMB 5.0304 million, and net

assets with a book value of RMB 0.0026 million. The primary assets and operating conditions of Ramu Management Company as of the valuation date and for the preceding three years are presented in the following table:

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years

Monetary Unit: RMB 10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	659.29	595.57	536.93	503.30
Total Liabilities	659.03	595.31	536.67	503.04
Net Assets	0.26	0.26	0.26	0.26
Item	2022	2023	2024	January-July 2025
Operating Revenue	-	-	-	-
Operating Costs	-	-	-	-
Operating Profit	-	-	-	-
Total Profit	-	-	-	-
Net Profit	-	-	-	-
Name of Audit Firms	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report Document No.	ZTS Zi (2023) No. 110C019108	ZTS Zi (2024) No. 110C017707	ZTS Zi (2025) No. 110C021453	TZY Zi [2025] No, 40696
Audit Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions

(III) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become users of this Valuation Report.

(IV) Relationship between the Client and the Evaluated Entity

The Client is the shareholder of the Evaluated Entity, Ramu Management Company, holding 100% of its equity.

II. Valuation Purpose

According to the *Resolution of the Board of Director of China Minmetals Corporation (the 12th of Meeting of the Board of Directors in 2025)* MCC proposes to transfer the equity of a subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to valuate the market value of the shareholders' total equity interest of Ramu Management Company related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. Valuation Object and Scope

(I) Valuation Object

The valuation object of this project is the shareholders' total equity value of Ramu Management Company.

(II) Basic Information on Assets and Liabilities Within the Valuation Scope

The valuation scope covers all assets and liabilities of Ramu Management Company as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the company showed total assets with a book value of RMB 5.033 million, total liabilities with a book value of RMB 5.0304 million, and net assets with a book value of RMB 0.0026 million.

The assets within the valuation scope comprise current assets and non-current assets. Current assets consist of other receivables. Non-current assets consist of fixed assets.

The liabilities within the valuation scope are current liabilities. The current liabilities consist of other payables.

The book status of assets and liabilities is presented in the following table:

Monetary Unit: RMB 10,000

Item	Book Value

Total Current Assets	2.08
Total Non-Current Assets	501.22
Including: Long-term Equity Investments	-
Investment Properties	-
Fixed Assets	501.22
Construction in Progress	-
Intangible Assets	-
Including: Intangible Assets - Land Use Rights	-
Other Non-Current Assets	-
Total Assets	**503.30**
Current Liabilities	503.04
Non-Current Liabilities	-
Total Liabilities	**503.04**
Owner's Equity (or Shareholders' Equity)	**0.26**

Details of all assets and liabilities within the valuation scope are provided in the attachment to this report, the *Detailed Asset Valuation Schedule*.

The above-mentioned entrusted valuation object and valuation scope are consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Other receivables have a net book value of RMB 0.0208 million, accounting for 0.41% of the total assets at book value. These primarily consist of receivables from the shareholder and application-related fees.

2. Fixed assets have a total net book value of RMB 5.0122 million, accounting for 99.59% of the total assets at book value. These primarily consist of buildings and structures, vehicles, and electronic equipment. The buildings and structures of Ramu Management Company are properties purchased and constructed in Madang and Port Moresby, totaling 4 items. Among these, which are maintained and in normal usable condition. There are 14 vehicles, purchased by the company to meet daily operational needs, which are

maintained and in normal usable condition. There are 153 electronic equipment items, including air conditioners, satellite receiver cabinets, water purification equipment, etc., purchased by the company to meet daily operational needs, which are maintained and in normal usable condition.

(IV) Types and Quantities of Off-Balance-Sheet Assets

Ramu Management Company did not declare off-balance-sheet assets.

(V) Use of Reports from Other Institutions

The book value data of various assets and liabilities as of the valuation date in this Valuation Report are sourced from the standard unmodified opinion Audit Report (TZY Zi (2025) No. 40696) issued by Baker Tilly China Certified Public Accountants (Special General Partnership).

IV. Base of Value and Its Definition

Based on the valuation purpose, the base of value is determined as Market Value.

Market value refers to the estimated amount for which the valuation object should exchange hands on the valuation date between a willing buyer and a willing seller, both acting knowledgeably, prudently, and without compulsion, in an arm's length transaction.

The selection of Market Value as the base of value for this valuation follows the principle of aligning the type of value with the valuation purpose and fully considers factors such as market conditions and the specific characteristics of the valuation object. This type of value was clearly defined when the asset valuation institution accepted the Client's valuation engagement.

V. Valuation Date

The valuation date for this project is July 31, 2025.

The determination of the valuation date primarily considered the implementation date of the economic behavior corresponding to the valuation

purpose.

VI. Valuation Bases

The valuation bases followed in this asset valuation primarily include the economic behavior basis, law and regulation bases, asset ownership bases, as well as pricing bases and other reference materials adopted in the valuation and estimation process. Details are as follows:

(I) Economic Behavior Basis

Resolution of the Board of Director of China Minmetals Corporation (the 12th of Meeting of the Board of Directors in 2025).

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);

2. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);

3. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);

4. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);

5. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);

6. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

7. *Provisions on Several Issues Concerning the Administration of State-*

Owned Asset Valuation (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);

8. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);

9. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);

10. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);

11. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);

12. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);

13. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);

14. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);

15. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);

16. State Taxation Administration's *Announcement on Issues Concerning the Implementation of Preferential Enterprise Income Tax Policies for High-Tech Enterprises* (Announcement No. 24 of 2017 of the State Taxation Administration);

17. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);

18. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);

19. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);

20. *Accounting Standards for Business Enterprises* and other related accounting systems;

21. Other relevant laws, regulations, notices, and documents.

22.Relevant laws and regulations of Papua New Guinea, including the *Companies Act 1997*, the *Land Act 1996*, and the *Land Regulation 1999*;

23.Other relevant laws, regulations, circulars, notices and documents.

(III) Asset Ownership Bases

1. Business License for Enterprise Legal Person;

2. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);

3. Land Use Right Certificates, etc.;

4. Major asset purchase contracts or vouchers;

5. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(IV) Pricing Bases

1. Financial statements and detailed financial ledgers of the valuation date

and the previous year;

2. Materials related to financial management, production and operation, and market sales provided by the enterprise;

3. The enterprise's fixed asset depreciation method;

4. The enterprise's financial accounting system;

5. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;

6. Selected contracts and agreements provided by the enterprise;

7. National and local tax policies and regulations of the country where the enterprise is located;

7. Current national and local tax policies and regulations;

8. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;

9. Relevant financial data and other materials provided by the enterprise;

10. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;

11. Other information obtained by the asset valuation professionals through investigation.

(V) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;

2. *Manual of Common Data and Parameters for Asset Valuation*;

3. Important business contracts provided by the enterprise;

4. Market research data collected by the asset valuation professionals;

5. Relevant materials from on-site inspections and inquiries/confirmations conducted by the asset valuation professionals;

6. Relevant materials provided by the enterprise's related departments and personnel;

7. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. Valuation Method

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

The Market Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by comparing it with comparable listed companies or comparable transaction cases. The two commonly used specific methods under the Market Approach are the Guideline Public Company Method and the Guideline Transaction Method. Given the current development of the property rights market, the specific circumstances of the Evaluated Entity, and limitations in market information conditions, it is difficult to find comparable reference entities and transactions in the market similar to the Evaluated Entity this time. Therefore, the Market Approach was not adopted for this valuation.

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The Evaluated Entity does not engage in any actual business activities, and its management has no

future development plans for the business. Therefore, the Income Approach was not adopted for this valuation.

The Asset-Based Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by evaluating the value of all on-balance-sheet and identifiable off-balance-sheet assets and liabilities of the Evaluated Entity as of the valuation date. Given that for this project, comprehensive information was collected for all assets and liabilities within the entrusted valuation scope, the Asset-Based Approach was deemed appropriate and therefore adopted for this valuation.

Considering factors such as the valuation object, bases of value, and data collection status, the Asset-Based Approach was adopted for this valuation.

VIII. Application of Specific Valuation Method for Various Assets and Liabilities under the Asset-Based Approach

(I) Valuation of Current Assets

For the valuation of Other Receivables, the asset valuation professionals reviewed the relevant accounting records and original vouchers and found no evidence of bad debts caused by debtor bankruptcy, closure, death, disappearance, or other force majeure events. However, it cannot be guaranteed that bad debt losses will not occur in the future. Furthermore, considering that these receivables cannot be collected in a lump sum on the valuation date, and the specific timing of collection is uncertain, the time value of money must also be considered. Therefore, the asset valuation needs to account for the risk of loss. The asset valuation professionals determined that the amount of bad debt provision accrued in the accounts is essentially equivalent to the estimated valuation risk loss amount. Therefore, the valuation value of the receivables is confirmed at their book value, and the bad debt provision is assessed as zero in accordance with the regulations.

(II) Valuation of Buildings and Structures

The basic methods for property valuation include the Market Approach, Income Approach, and Cost Approach. Based on the characteristics of the valuation objects, the bases of value, data collection status, and other relevant conditions, the Comparative Method was determined to be used for this valuation of the subject properties under Serial Numbers 3 and 4.

Properties under Serial Numbers 3 and 4 are located in Madang. According to the understanding of the asset appraisal professionals, Madang is situated in the northern coastal region of Papua New Guinea, adjacent to the Bismarck Sea. The primary transferable land type in the local market is the State Lease land, which has a very limited supply, and the transaction process requires complex bureaucratic procedures. Pursuant to relevant local laws, the acquisition and development of land by foreigners are strictly restricted, typically requiring cooperation with local residents or approval from relevant authorities. Although a land registration system exists, its efficiency may be low, and records may be unclear or outdated. Verifying clear title to a parcel of land requires time and professional assistance. Market information and transparency are extremely low, lacking a multiple listing service system or publicly available online property databases common in developed countries. There is a shortage of independent real estate valuation institutions; the price discovery mechanism is opaque, and transaction prices are often reached through private negotiations, resulting in a lack of comparability. The subject properties are situated in a remote area, with no recent transaction comparables and no local normative documents for land valuation. In summary, the valuation for the properties under Serial Numbers 1 and 2 in this appraisal is presented at its book value.

Analogy method

Property Valuation Value = Market Price of New Property × Asset Condition Adjustment Coefficient × Market Transaction Adjustment Coefficient

1. Determination of the Market Price of New Property

The market price of the property was determined by obtaining market quotations to establish the current market price.

(1) If the property market is relatively stable, the valuation date and the transaction date of the comparable case can differ significantly, but the transaction cases selected should generally not exceed three years. If the market is volatile and changes rapidly, it is only appropriate to select recent transaction cases, preferably within the last two years.

(2) The current market price of property was determined by a substitution method. For property where the current market price could not be directly ascertained, following the principle of substitution in valuation, the current market price of buildings and structures was reasonably determined by adjusting historical prices using relevant price indices.

2. Determination of the Asset Condition Adjustment Coefficient

Since the subject properties are previously used assets, a comparison was made between the subject property and a new property in terms of age, physical condition, and degree of use. The Asset Condition Adjustment Coefficient was then determined based on a comprehensive assessment of these differences.

3. Determination of the Market Transaction Adjustment Coefficient

The Market Transaction Adjustment Coefficient reflects the market transaction discount rate under an orderly disposition assumption, determined through comprehensive analysis of factors such as asset disposal time, market demand, and ease of disposal. This discount rate is the Market Transaction Adjustment Coefficient.

4. Determination of the Valuation Value of Properties

Property Market Value = Market Price of New Building × Asset Condition Adjustment Coefficient × Market Transaction Adjustment Coefficient

(III) Valuation of Equipment Assets

Based on the valuation purpose and adhering to the principle of continuous use, the replacement cost method was primarily used for the valuation of the subject equipment, considering market prices, the characteristics of the equipment assets, and the data collected.

Replacement Cost Method

Valuation Value = Full Replacement Cost× Newness Rate

1. Determination of the Full Replacement Cost

The equipment assets recorded in the company's accounts were primarily purchased within China and subsequently transported to the company's site for use. The current market price of the equipment was determined through inquiries in the Chinese market or by reference to the 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*: Direct inquiries were made to dealers or manufacturers, or reference was made to price lists from merchants, officially published price data, and publicly available price information on computer networks. Potential price discount margins and the cost of equipment modifications were also considered to determine the current market price of the equipment.

For older equipment or equipment for which the current market price could not be found but for which substitutes are available, the principle of substitution in valuation was applied. Through analysis and comparison of technical content and functional differences, the current market price was reasonably determined.

The Classified Price Coefficient Adjustment Method was used: For older equipment, self-built equipment, and non-standard equipment for which neither the current market price nor substitute equipment could be identified,

the original book value of the equipment was first adjusted to its original purchase price. Then, by calculating the price change coefficient for similar equipment from the same period, the book value was adjusted to obtain the current market price.

Full Replacement Cost = Current Purchase Price + Other Expenses

2. Determination of the Newness Rate

(1) Determination of the Newness Rate for Vehicles

Service Life Newness Rate = (1 - 2 / Economic Service Life) × Years in Service × 100%

Simultaneously, necessary inspection and identification were performed on the vehicles subject to valuation. If the results of the inspection and identification differed significantly from the newness rate determined by the above method, appropriate adjustments were made.

(2) Determination of the Newness Rate for Electronic Equipment and General Equipment

The Age-Life Method was used to determine the newness rate for electronic equipment and general equipment.

Newness Rate = (1 - Years in Service / Economic Service Life) × 100%

Or: Newness Rate = Remaining Usable Life / (Years in Service + Remaining Usable Life) × 100%

3. Determination of valuation value

Valuation value= Full Replacement Cost × Comprehensive Newness Rate

(IV) Valuation of Liabilities

The liabilities declared by the company are current liabilities. The current liabilities consist of other payables. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. Implementation Process and Situation of the Valuation Procedures

The asset valuation professionals performed the on-site valuation work for the assets and liabilities involved in the valuation object from October 28, 2025 to October 30, 2025. The implementation process of the assessment procedures is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

Our company's business responsible person held discussions with the Client's representative to clarify important matters including: the Client, the Evaluated Entity, and other users of the asset valuation report as stipulated in the asset valuation engagement contract besides the Client; the valuation purpose; the valuation object and scope; the base of value; the valuation date; usage restrictions of the Valuation Report; the submission timeline and method for the Valuation Report; the total valuation service fee, payment timing, and method; and the Client's cooperation and assistance with the asset valuation professionals' work, along with other important matters requiring clarification.

(II) Signing the Asset Valuation Engagement Contract

Based on the specific circumstances of the valuation engagement, our company conducted a comprehensive analysis and evaluation of professional competence, independence, and business risks. The asset valuation institution then decided whether to accept the valuation engagement. Upon accepting the asset valuation engagement, the asset valuation institution shall enter into an asset valuation engagement contract with the Client in accordance with the law, stipulating the rights, obligations, liability for breach of contract, dispute resolution, and other contents between the asset valuation institution and the Client.

(III) Preparation of the Valuation Plan

After accepting this valuation engagement, our company immediately organized asset valuation professionals to prepare an Asset Valuation Plan,

determining the appropriate level of detail for the plan reasonably. The Asset Valuation Plan included the main processes and timetable for the implementation of the asset valuation engagement, personnel arrangements, and the technical solution.

(IV) On-site Investigation

Based on the specifics of the valuation assignment, we conducted appropriate on-site investigation of the valuation object. This included:

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;

2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;

3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.

4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

We collected valuation data according to the specific circumstances of the valuation engagement and promptly supplemented the collection as needed according to the requirements of the valuation engagement and changes encountered during its implementation. The collected data included:

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various

professional institutions, and other relevant entities;

2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;

3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation with the Audit Firm

Based on their respective work, the asset valuation professionals performed data reconciliation with the audit firm.

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.

2. The preliminary valuation results from the Asset-Based Approach were analyzed, supplemented, modified, and refined. The final valuation conclusion for this asset valuation work was determined based on a comprehensive analysis of value influencing factors.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and

working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to the Client.

X. Valuation Assumptions

(I) General Assumptions

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers 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 assumes that the evaluated assets are in a status of use. Secondly, it assumes

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 limiting the applicability of the valuation conclusion.

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

(II) 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 Ramu Management Company will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.

5. It is assumed that the Evaluated 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 Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.

8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated 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. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.

2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

The valuation conclusion in this Report is derived under the above assumptions and limiting conditions. This valuation conclusion shall become invalid if the above assessment assumptions and limiting conditions change significantly.

XI. Evaluation Conclusion

In accordance with relevant national regulations concerning asset valuation, and adhering to the principles of independence, impartiality, and objectivity, along with the necessary valuation procedures, the market value of the shareholders' total equity interest of Ramu Nico Management (MCC) Limited has been valuated. Based on the above valuation work, the following conclusion is presented:

According to the asset-based approach valuation, Ramu Management Company's total assets have a book value of RMB 5.0338 million and a valuation value of RMB 15.9443 million, resulting in an appreciation amount of RMB 10.9113 million and an appreciation rate of 216.80%. Total liabilities have a book value of RMB 5.0304 million and a valuation value of RMB 5.0304 million, with no change in value from the valuation. Net assets have a book value of RMB 0.0026 million and a valuation value of RMB 10.9139 million, resulting in an appreciation amount of RMB 10.9113 million and an appreciation rate of 419,666.17%.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB 10,000

Item		Book Value	Valuation Value	Appreciation/ Depreciation	Appreciation/ Depreciation Rate %
		A	B	C=B-A	D=C/A×100 %
Total Current Assets	1	2.08	2.08	-	-
Total Non-Current Assets	2	501.22	1,592.35	1,091.13	217.69
Including: Long-term Equity Investments	3	-	-	-	
Investment Properties	4	-	-	-	
Fixed Assets	5	501.22	1,592.35	1,091.13	217.69
Construction in Progress	6	-	-	-	
Intangible Assets	7	-	-	-	

Including: Intangible Assets - Land Use Rights	8	-	-	-	
Other Non-Current Assets	9	-	-	-	
Total Assets	10	**503.30**	**1,594.43**	**1,091.13**	**216.80**
Current Liabilities	11	503.04	503.04	-	-
Non-Current Liabilities	12	-	-	-	
Total Liabilities	13	**503.04**	**503.04**	**-**	**-**
Net Assets	14	**0.26**	**1,091.39**	**1,091.13**	**419,666.17**

Subject to the assumptions and conditions set forth in this report, the total equity value of the total shareholders' equity of Ramu Management Company subject to valuation as of the valuation date, July 31, 2025, is RMB 10.9139 million, in words: RMB Ten Million Nine Hundred and Thirteen Thousand Nine Hundred Only; Compared to the net asset book value of RMB 0.0026 million under the Ramu Management Company, this represents a valuation appreciation of RMB 10.9139 million and an appreciation rate of 419,666.17%.

(II) Validity Period of the Valuation

The validity period for the use of the valuation conclusion in this report is one year from the valuation date, i.e., it is valid for use from July 31, 2025 to July 30, 2026. When the valuation purpose is realized within one year after the valuation date, the valuation conclusion can serve as a reference for this valuation purpose. If it exceeds one year, a new asset valuation must be conducted.

XII. Notes for Special Matters

Users of this Valuation Report shall pay attention to the potential impact of the following special matters on the valuation conclusion and give them full consideration when making decisions based on this report.

(I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the

enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.

(II) This report is based on information required for the valuation provided by Ramu Nico Management (MCC) Limited, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.

(III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) Notes on Limitations in valuation Procedures

None.

(V) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VI) Other Key Information Not Provided by the Client

None.

(VII) Matters Related to Mortgages and Guarantees

None.

(VIII) Other Situations Requiring Explanation

None.

(IX) This valuation conclusion does not consider potential changes in tax obligations arising from the valuation appreciation or depreciation.

(X) Matters Occurring between the Valuation Date and the Asset Valuation Report Date That Could Potentially Impact the Valuation Conclusion

If the quantity of assets or pricing standards change after the valuation date, affecting the valuation conclusion, this valuation conclusion cannot be used directly and must be adjusted or a re-valuation must be conducted.

(XI) Defects in the economic behavior corresponding to this asset valuation that could have a significant impact on the valuation conclusion.

None.

Users of the Asset Valuation Report shall note the impact of the above special matters on the valuation conclusion.

XIII. Notes on Usage Restrictions for the Assessment Report

(I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.

(II) If the Client or other users of this Asset Valuation Report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its asset valuation professionals shall bear any responsibility.

(III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.

(IV) Users of the Asset Valuation Report shall correctly understand and

use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

(V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.

(VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XIV. Date of the Asset Valuation Report

Date of this report: December 3, 2025.

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Legal representative of the valuation institution:

Asset Appraiser:

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资产评估师
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Asset Appraiser:

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SinoValue Assets Appraisal Co., Ltd.

December 3, 2025