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METALLURGICAL CORPORATION OF CHINA LTD. *

中國冶金科工股份有限公司

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

(Stock Code: 1618)

**ANNOUNCEMENT ON THE PROGRESS OF
CAPITAL INCREASE IN GENERTEC MINMETALS**

Reference is made to the announcements of Metallurgical Corporation of China Ltd.* (the “**Company**”) dated 2 June 2020, 18 June 2020 and 31 August 2020 (the “**Announcements**”) in relation to the acquisition by the MCC Investors (including MCC 5 Group, MCC 17 Group and MCC 19 Group, all being subsidiaries of the Company) (the “**MCC Investors**”) of 20.67% equity interest in total in Genertec Minmetals, and the shareholding ratio of the MCC Investors decreased to 6.28% after the capital increase of all shareholders of Genertec Minmetals. Unless otherwise stated, the terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board hereby announces that on 30 July 2022, MCC 5 Group, MCC 17 Group and MCC 19 Group, all being subsidiaries of the Company, entered into an equity transfer agreement (the “**Equity Transfer Agreement**”) with Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd. (“**Universal Tianjin**”), a wholly-owned subsidiary of Genertec Universal Medical Group Company Limited, pursuant to which Universal Tianjin agreed to purchase while MCC 5 Group, MCC 17 Group and MCC 19 Group agreed to dispose of their 2.34%, 1.30% and 2.64% equity interest in Genertec Minmetals with a total consideration of RMB177.2131 million (the “**Disposal**”). After the completion of the Disposal, MCC 5 Group, MCC 17 Group and MCC 19 Group will no longer hold equity interest in Genertec Minmetals. The consideration was determined after arm’s length negotiations among parties and with reference to the results of 31 July 2021 as the valuation date.

As disclosed in the Announcements, the purpose of the Group's transaction is to dispose of the Target Assets and focus more on the main business. The Directors are of the view that the Disposal provides cash inflows to the Group, optimizes the asset structure of the Group and further focuses on the development of the main business. The Disposal will not affect the normal operation of the Company's business activities, and will not have an adverse effect on the Company's current and future financial position and operating results. The terms of the Equity Transfer Agreement are fair and reasonable and are entered into on normal commercial terms, and the Disposal is in the interest of the Company and its shareholders as a whole.

This announcement is published by the Company on a voluntary basis.

By order of the Board
Metallurgical Corporation of China Ltd.*
Zeng Gang
Joint Company Secretary

Beijing, the PRC
1 August 2022

As at the date of this announcement, the Board of the Company comprises executive Directors: Mr. Chen Jianguang and Mr. Zhang Mengxing; non-executive Directors: Mr. Lang Jia and Mr. Yan Aizhong (employee representative Director); and independent non-executive Directors: Mr. Zhou Jichang, Mr. Liu Li and Mr. Ng, Kar Ling Johnny.

* *For identification purpose only*