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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in METALLURGICAL CORPORATION OF CHINA LTD.*, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

- (1) PROPOSED APPROVAL OF THE PROPOSAL OF THE REPORT ON FINAL ACCOUNTS OF THE COMPANY FOR THE YEAR 2025
- (2) PROPOSED APPROVAL OF THE PROPOSAL OF PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR THE YEAR 2025 AND THE AUTHORIZATION FOR INTERIM DIVIDEND FOR THE YEAR 2026
- (3) PROPOSED APPROVAL OF THE PROPOSAL OF THE APPOINTMENT OF THE COMPANY'S AUDITOR AND INTERNAL CONTROL AUDITOR FOR THE YEAR 2026
- (4) PROPOSED APPROVAL OF THE PROPOSAL OF THE PLAN OF GUARANTEES TO BE PROVIDED BY THE COMPANY FOR THE YEAR 2026
- (5) PROPOSED APPROVAL OF THE PROPOSAL OF THE FINANCIAL DERIVATIVES BUSINESS PLAN OF THE COMPANY FOR THE YEAR 2026
- (6) PROPOSED APPROVAL OF THE PROPOSALS OF THE ENTERING INTO OF THE NEW FRAMEWORK AGREEMENT BETWEEN THE COMPANY AND CHINA MINMETALS AND THE ANNUAL CAPS OF CONTINUING CONNECTED TRANSACTIONS FOR THE YEAR 2027
- (7) PROPOSED APPROVAL OF THE PROPOSAL OF THE "MANAGEMENT MEASURES OF REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT OF MCC" OF THE COMPANY
- (8) PROPOSED APPROVAL OF THE PROPOSAL OF THE EMOLUMENTS OF DIRECTORS AND SUPERVISORS OF THE COMPANY FOR THE YEAR 2025
- (9) PROPOSED APPROVAL OF THE PROPOSAL OF THE PROPOSED REMUNERATION PLAN OF DIRECTORS OF THE COMPANY FOR THE YEAR 2026
- (10) PROPOSED APPROVAL OF THE PROPOSAL OF THE BOND REGISTRATION AND ISSUANCE PLAN OF THE COMPANY
AND
- (11) PROPOSED APPROVAL OF THE PROPOSAL OF THE GENERAL MANDATE FOR THE COMPANY TO REPURCHASE H SHARES

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



Letter from the Board of Directors of the Company is set out on pages 1 to 25 of this circular.

A notice convening the AGM (as defined in this circular) to be held at MCC Tower, No. 28 Shuguang Xili, Chaoyang District, Beijing, 100028, the PRC, on Monday, 29 June 2026 at 2:00 p.m., is set out on pages 99 to 103 of this circular. If you intend to appoint a proxy to attend the AGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), not less than 24 hours before the time fixed for the holding of the AGM or any adjourned meeting thereof (excluding any public holiday). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjourned meeting thereof should you so wish.

5 June 2026

* For identification purposes only

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DEFINITIONS

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

“A Share(s)”	domestic share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in RMB;
“A Share Repurchase Plan”	the A share repurchase plan of the Company as reviewed and approved by the 81st meeting of the third session of the Board of Directors of the Company and approved at the first extraordinary general meeting of 2026 held on 16 January 2026, details of which are set out in the circular of the Company dated 24 December 2025 in relation to the extraordinary general meeting;
“AGM”	the 2025 annual general meeting of the Company to be convened and held at MCC Tower, No. 28 Shuguang Xili, Chaoyang District, Beijing, 100028, the PRC, on Monday, 29 June 2026 at 2:00 p.m.;
“Articles of Association”	the articles of association of the Company;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board” or “Board of Directors”	the board of directors of the Company;
“China Minmetals”	China Minmetals Corporation* (中國五礦集團有限公司), a state wholly-owned enterprise established in the PRC under the direct control of the State-owned Assets Supervision and Administration Commission of the State Council, and the controlling shareholder of the Company;
“China Minmetals Group”	China Minmetals and its subsidiaries and associates, including CMGC and its subsidiaries but excluding the Group;
“CMGC”	China Metallurgical Group Corporation* (中國冶金科工集團有限公司), a state wholly-owned enterprise established in the PRC, which holds 4.925% interests in the issued Shares of the Company, is a wholly-owned subsidiary of China Minmetals;

DEFINITIONS

“Company” or “MCC”	Metallurgical Corporation of China Ltd.* (中國冶金科工股份有限公司), a joint stock company with limited liability incorporated under the laws of the PRC on 1 December 2008, and (unless the context requires otherwise) all of its subsidiaries;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Deloitte CPA”	Deloitte Touche Tohmatsu Certified Public Accountants LLP;
“Director(s)”	the director(s) of the Company, including all executive, non-executive and independent non-executive directors;
“EPC”	engineering procurement and construction;
“Framework Agreement”	the Mutual Supply of Comprehensive Raw Materials, Products and Services Agreement entered into between the Company and China Minmetals on 28 May 2025;
“Group”	the Company and its subsidiaries;
“H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and are listed on the Hong Kong Stock Exchange;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Independent Board Committee”	the independent board committee of the Company formed to consider the continuing connected transactions described in this circular, comprising all independent non-executive Directors, namely, Mr. Liu Li, Mr. Ng, Kar Ling Johnny and Ms. Zhou Guoping;

DEFINITIONS

“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions under the New Framework Agreement in relation to the sale and purchase of materials (income and expenditure) and engineering construction (income) (including relevant annual caps);
“Independent Shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Latest Practicable Date”	2 June 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“Minmetals Finance Company”	CMC Finance Co., Ltd., a company established in the PRC and a non wholly-owned subsidiary of China Minmetals;
“New Financial Services Agreement”	the Financial Services Agreement entered into between the Company and Minmetals Finance Company on 16 May 2024 to provide relevant financial services to the Group. For details of this agreement, please refer to the announcements of the Company dated 26 March 2024 and 16 May 2024;
“New Framework Agreement”	the Mutual Supply of Comprehensive Raw Materials, Products and Services Agreement to be entered into between the Company and China Minmetals on 26 May 2026;
“Notice”	the notice convening the AGM;
“PRC”	the People’s Republic of China, but for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Reporting Period”	1 January 2025 to 31 December 2025;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shareholder(s)”	shareholder(s) of the Company;
“Share(s)”	share(s) of the Company with a nominal value of RMB1.00 each, which refer(s) to both A Shares and H Shares;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“Supervisors”	the supervisors of the Company;
“Supervisory Committee”	the supervisory committee of the Company;
“4M2026”	four months ended 30 April 2026.

LETTER FROM THE BOARD

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)

Directors:

Mr. Li Zhongze *(Executive Director)*

Mr. Chen Yang *(Executive Director)*

Mr. Bai Xiaohu *(Executive Director)*

Mr. Lang Jia *(Non-executive Director)*

Mr. Liu Li *(Independent Non-executive Director)*

Mr. Ng, Kar Ling Johnny

(Independent Non-executive Director)

Ms. Zhou Guoping *(Independent Non-executive Director)*

Mr. Yan Aizhong *(Employee Representative Director)*

*Registered Office/Principal Place of
Business in the PRC:*

MCC Tower

No. 28 Shuguang Xili

Chaoyang District

Beijing, 100028

PRC

Principal Place of Business in Hong Kong:

Room 3205, 32/F

Office Tower Convention Plaza

1 Harbour Road

Wanchai, Hong Kong

5 June 2026

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED APPROVAL OF THE PROPOSAL OF THE REPORT ON FINAL ACCOUNTS OF THE COMPANY FOR THE YEAR 2025**
- (2) PROPOSED APPROVAL OF THE PROPOSAL OF PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR THE YEAR 2025 AND THE AUTHORIZATION FOR INTERIM DIVIDEND FOR THE YEAR 2026**
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* *For identification purposes only*

LETTER FROM THE BOARD

The AGM will be held at MCC Tower, No. 28 Shuguang Xili, Chaoyang District, Beijing, 100028, the PRC, on Monday, 29 June 2026 at 2:00 p.m.. The Notice set out in this circular contains details of the resolutions to be proposed at the AGM. The proxy form for the AGM is enclosed with this circular.

1. PROPOSED APPROVAL OF THE PROPOSAL OF THE REPORT ON FINAL ACCOUNTS OF THE COMPANY FOR THE YEAR 2025

According to the relevant requirements of the Ministry of Finance of the PRC, the SASAC, the China Securities Regulatory Commission, the Shanghai Stock Exchange and the Hong Kong Stock Exchange, the Company has completed the preparation work for the financial report for the year 2025, which was audited by Deloitte CPA, and a standard unqualified audit report was issued.

The key indicators of the Company's financial final accounts for the year 2025 are set out below:

(1) Revenue and profit

In 2025, the operating revenue decreased by RMB96.6 billion to RMB455.4 billion, representing a year-on-year decrease of 17.5%. Total profit decreased by RMB4.25 billion to RMB5.01 billion, representing a year-on-year decrease of 45.9%. Net profit decreased by RMB5.38 billion to RMB2.52 billion, representing a year-on-year decrease of 68.1%. Net profit attributable to the parent company decreased by RMB5.42 billion to RMB1.32 billion, representing a year-on-year decrease of 80.4%.

(2) Cash flows

In 2025, net cash inflow generated from operating activities amounted to RMB15.3 billion, representing a year-on-year increase of inflow of RMB7.5 billion. In 2025, net cash inflow generated from investing activities amounted to RMB23.7 billion, representing a year-on-year increase of inflow of RMB33.3 billion. In 2025, net cash outflow generated from financing activities amounted to RMB12.7 billion, representing a year-on-year increase of outflow of RMB23.8 billion.

(3) Assets and liabilities

As of the end of 2025, total assets of the Company increased by RMB31.5 billion to RMB839.5 billion, representing an increase of 3.9% over the end of previous year. Total liabilities increased by RMB30.2 billion to RMB655.9 billion, representing an increase of 4.8% over the end of previous year. Net assets increased by RMB1.2 billion to RMB183.6 billion, representing an increase of 0.7% over the end of previous year. Gearing ratio was 78.1%, representing an increase of 0.7 percentage point over the end of previous year.

LETTER FROM THE BOARD

For detailed financial data of the Company for the year ended 31 December 2025, please refer to the section headed “Financial Statements” in the 2025 annual report of the Company.

The proposal has been considered and approved at the 83rd meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

2. PROPOSED APPROVAL OF THE PROPOSAL OF PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR THE YEAR 2025 AND THE INTERIM DIVIDEND PLAN FOR THE YEAR 2026

A. Profit distribution plan for the year 2025

According to the audited 2025 annual financial report of the Company, the audited net profit attributable to shareholders of the listed company in the consolidated financial statements of MCC for 2025 amounted to RMB1,321.77 million. The accumulated undistributed profit at the end of the period in the consolidated financial statements was RMB51,289.39 million, and the accumulated undistributed profit at the end of the period in the financial statements of the parent company was RMB-2,785.15 million. As the accumulated undistributed profit of the Company’s parent company statements at the end of 2025 was negative, the Company failed to meet the conditions for cash dividend distribution in accordance with the provisions of the Company Law and the Articles of Association, and therefore the Company proposes not to implement profit distribution for the year 2025.

B. Interim dividend plan for the year 2026

To effectively reward investors, MCC intends to conduct interim dividend distribution in a timely manner after it meets the dividend distribution conditions. It is proposed to authorize the Board to formulate and implement the interim dividend plan for the year 2026 at the Shareholders’ meeting. Details are set out below:

(1) Conditions for interim dividend

- a. The undistributed profit of the parent company of MCC is positive;
- b. The consolidated net profit attributable to shareholders of the listed company of MCC is positive;
- c. After the payment of interim dividends, the Company’s cash flow is still sufficient to meet the requirements for its sustainable operation and long-term development, without affecting the normal business operation and sustainable development of the Company;

LETTER FROM THE BOARD

- d. It is consistent with the provisions of applicable laws, regulations and normative documents.

(2) *Interim dividend cap*

The total amount of interim dividends shall not exceed the lower of MCC's consolidated net profit attributable to the shareholders of the listed company for the first half of 2026 and undistributed retained earnings of the parent company as at the end of June 2026.

(3) *Authorization arrangement*

In view of the expectation for interim dividend distribution, it is proposed to authorize the Board to formulate and implement the specific interim dividend plan at the Shareholders' meeting, provided that the aforesaid interim dividend conditions and dividend cap are complied with.

The proposal has been considered and approved at the 83rd meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

3. PROPOSED APPROVAL OF THE PROPOSAL OF THE APPOINTMENT OF THE COMPANY'S AUDITOR AND INTERNAL CONTROL AUDITOR FOR THE YEAR 2026

The Board proposes to appoint Deloitte CPA as the auditor and internal control auditor of the Company for the year 2026. Based on the quotation submitted by Deloitte CPA in response to the Company's tender process, and taking into account the reduction in the number of subsidiaries included in the consolidated financial statements for 2026, it has been confirmed following consultation with Deloitte that the proposed annual audit remuneration amounts to RMB23.75 million, including RMB17.00 million for the audit of annual financial statements, RMB4.45 million for the review of interim financial statements, and RMB2.30 million for the annual internal control audit.

Furthermore, this estimated audit fee is based on the assumption that there will be no material additional changes to the Group's business and operations, accounting policies or regulatory environment, and that the Company will provide timely and adequate assistance and information for the audit work.

The proposal has been considered and approved at the 83rd meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

LETTER FROM THE BOARD

4. PROPOSED APPROVAL OF THE PROPOSAL OF THE PLAN OF GUARANTEES TO BE PROVIDED BY THE COMPANY FOR THE YEAR 2026

For the year 2026, the Company and its subsidiaries are expected to provide financing guarantees and operational guarantees of not more than RMB19.087 billion (or its equivalent in foreign currency, same as below), and subsidiaries of the Company are expected to provide mortgage guarantees for commercial property purchasers of not more than RMB1 billion.

A. The guarantee plan to be provided by the head office of the Company and its subsidiaries for the year 2026

The Company and its subsidiaries plan to provide guarantees of up to RMB19.087 billion for the year 2026, representing 12.25% of the unaudited net assets of the Company attributable to the Shareholders of the listed company as at the end of 2025, which specifically include:

- (a) the guarantees intended to be provided by the head office of MCC for its subsidiaries amounting to not more than RMB7.495 billion;
- (b) the guarantees to be provided by subsidiaries of MCC for the entities units which fall within the scope of consolidated statements of MCC amounting to not more than RMB11.592 billion.

Guarantees under the above guarantee plan is guarantee as stipulated in the Civil Code of the People's Republic of China in the form of loan, letter of guarantee, bills and letter of credit, etc., as well as guarantee for operation, and the period of such guarantees will be subject to the financing needs of the guaranteed parties and the guarantee contracts to be entered into or relevant agreements.

B. The mortgage guarantee quota to be provided by subsidiaries of the Company for commercial property purchasers in 2026

In 2026, the subsidiaries of the Company plan to provide mortgage guarantees not exceeding RMB1 billion for commercial property purchasers. Such guarantees are provided by the Company's subsidiaries in accordance with common industry practices. The subsidiaries of the Company provide guarantees for the mortgage loans of purchasers of existing commercial properties available for sale to banks, with the purchased commercial properties by the purchasers serving as collateral. The associated risks to the Company from these guarantees are relatively low.

The guaranteed parties involved in this guarantee plan including 5 second-tier subsidiaries of the Company and 10 third-tier or below subsidiaries of the Company, and qualified commercial property purchasers.

LETTER FROM THE BOARD

C. The term of the guarantee plan

The above guarantee plan shall have a term from the date on which it is approved at the AGM to the convening date of the 2026 annual general meeting.

D. Authorization to approve specific guarantee business under the guarantee plan

The Board agrees that within the scope of 2026 annual guarantee plan, with the guarantor being unchanged, the guarantee amount may be shared among subsidiaries with a gearing ratio of more than 70% (inclusive); the guarantee amount may be shared among subsidiaries with a gearing ratio of less than 70%.

It is proposed to the Shareholders' meeting of the Company to authorize the President's Office of the Company to approve the specific guarantee business and adjustment matters occurring within the scope of 2026 annual guarantee plan for MCC and its subsidiaries.

The proposal has been considered and approved at the 83rd meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

Details of the above proposal are set out in the overseas regulatory announcement in relation to the guarantee plan of the Company published on the Hong Kong Stock Exchange's and the Company's websites on 30 March 2026.

5. PROPOSED APPROVAL OF THE PROPOSAL OF THE FINANCIAL DERIVATIVES BUSINESS PLAN OF THE COMPANY FOR THE YEAR 2026

To avoid and prevent foreign exchange risks and reduce risk exposure, the Company proposes to conduct foreign exchange derivative transactions in strict compliance with the principles of hedging and not for speculative purposes, subject to national policies, laws and regulations. The specific business types include foreign exchange forwards, currency swaps, interest rate swaps and other foreign exchange derivatives. The scale and term of foreign exchange derivative transactions shall match those of the underlying actual businesses. The total volume of financial derivatives business to be carried out for the year 2026 shall not exceed US\$2.062 billion (including foreign currency equivalents), with a valid period of no more than 12 months from the date of approval by the AGM.

The proposal has been considered and approved at the 83rd meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

Details of the above proposal are set out in the overseas regulatory announcement in relation to the Company's financial derivatives business for the year 2026 published on the Hong Kong Stock Exchange's and the Company's websites on 30 March 2026.

LETTER FROM THE BOARD

6. PROPOSED APPROVAL OF THE PROPOSAL OF THE NEW FRAMEWORK AGREEMENT ENTERED INTO BETWEEN THE COMPANY AND CHINA MINMETALS AND THE ANNUAL CAPS OF CONTINUING CONNECTED TRANSACTIONS FOR THE YEAR 2027

BACKGROUND

References are made to the announcements of the Company dated 28 March 2025, 28 May 2025, 30 March 2026 and 26 May 2026. Given that the annual caps for various types of transactions under the Framework Agreement will expire on 31 December 2026, on 26 May 2026, the Company and China Minmetals entered into the New Framework Agreement so as to continue to carry out various types of transactions with China Minmetals Group. Subject to the approval of the Independent Shareholders at the AGM, the New Framework Agreement will take effect from 1 January 2027 and will be valid for one year. Upon the New Framework Agreement becoming effective, the New Financial Services Agreement will be governed by the New Framework Agreement.

LISTING RULES IMPLICATIONS

China Minmetals, a controlling shareholder of the Company, is a connected person of the Company. As such, all transactions contemplated under the New Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the annual caps for the transactions of sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement exceed 5%, these transactions are subject to the reporting, announcement, annual review, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The major terms

Parties:

- (1) The Company; and
- (2) China Minmetals

Transaction types:

Pursuant to the New Framework Agreement, the Group and China Minmetals Group intend to conduct various types of transactions on an ongoing basis, including sale and purchase of materials, engineering construction, asset financing services, production and maintenance services, technology and management services, property leasing and financial services (i.e. the types of transactions to which the New Financial Services Agreement relates to). The signing of the New Framework Agreement will not prejudice the rights of either party to select transaction counterparties or conduct similar transactions with third parties.

LETTER FROM THE BOARD

Details of the transactions relating to the sale and purchase of materials and engineering construction under the New Framework Agreement:

(1) *Sale and purchase of materials*

The Group will, as a purchaser, purchase steel, as well as the equipment necessary for general construction contracting and production and operation from China Minmetals Group. China Minmetals Group shall also provide relevant logistics services in relation to the materials supplied, including, storage, freight forwarding, shipping and land transportation and other services. The equipment purchased by the Group from China Minmetals Group is mainly equipment accessories such as containers, flue gas denitrification equipment for rotary kilns and vertical mills.

(2) *Engineering construction*

The Company will, as a contractor, provide engineering contracting and construction-related services to China Minmetals Group.

Pricing of various types of transactions for the sale and purchase of materials (expenditure) and engineering construction (income):

Pursuant to the New Framework Agreement, with respect to the materials and services provided to the Group by China Minmetals Group, China Minmetals has undertaken that it will not, and will procure its subsidiaries not to provide relevant materials and services to the Group on terms which are less favourable than those offered to third parties. Details of the pricing principles for the sale and purchase of materials (expenditure) and engineering construction (income) transactions under the New Framework Agreement are as follows:

(1) *Sale and purchase of materials*

The suppliers and prices of steel and equipment will be determined by a tender process conducted by the purchaser at market prices in accordance with the principles of openness, impartiality and fairness on the purchase platform of the purchaser, and the result of successful bid will be publicly announced on the website of the purchase platform operated by the purchaser. Upon winning the bid, the parties will enter into a specific purchase contract, in which the payment arrangement on the purchase price, generally including prepayments, payments upon goods delivery and completion of inspection and acceptance and quality guarantee deposits, will be specified.

The prices of logistics and warehousing will be determined through negotiation with reference to market prices. Both parties will specify the payment arrangement in the specific purchase contract.

LETTER FROM THE BOARD

(2) *Engineering construction*

The price of engineering construction projects will be determined through public tender. Pursuant to the relevant laws and regulations for public bidding and tendering in China, the public bidding and tendering results and prices of state-owned projects, state-owned investment projects and those construction projects related to the national economy and the people's livelihood will be announced on the website of the platform of public bidding and tendering of government projects. Upon winning the bid, the parties will enter into a specific construction contract, in which the payment arrangement on the construction price (which will be generally paid according to the progress of a particular project or the completion ratio calculated on a monthly basis) will be specified.

Term

The New Framework Agreement will be effective for a term of one year from 1 January 2027, subject to the approval by the Independent Shareholders at the AGM.

Historical data

The historical amounts of the sale and purchase of materials (expenditure) and engineering construction (income) transactions between the Group and China Minmetals Group (including CMGC) as described above for the two years ended 31 December 2025 and the period from 1 January 2026 to 30 April 2026 are as follows:

Unit: RMB0'000

Transaction type	For the year ended 31 December						For the period from 1 January 2026 to 30 April 2026		
	2024			2025			Annual caps	Amount incurred	Utilisation Rate
Sale and purchase of materials									
Expenditure	<u>2,353,713</u>	<u>944,984</u>	<u>40.15%</u>	<u>2,320,000</u>	<u>631,024</u>	<u>27.20%</u>	<u>1,493,100</u>	<u>104,859</u>	<u>7.02%</u>
Engineering construction									
Income	<u>1,429,087</u>	<u>690,839</u>	<u>48.34%</u>	<u>1,180,000</u>	<u>375,832</u>	<u>31.85%</u>	<u>934,100</u>	<u>119,946</u>	<u>12.84%</u>

LETTER FROM THE BOARD

For the actual amount incurred in the sale and purchase of materials (expenditure) transaction, there was a decrease in 2025 as compared to 2024, mainly due to a 17.51% decrease in the Company's operating revenue in 2025 compared to 2024, which correspondingly led to a decrease in the volume of material procurement based on actual business needs. Accordingly, the total amount of sale and purchase of materials (expenditure) transaction for 2025 decreased by 33.22% compared to 2024;

For the actual amount incurred in the engineering construction (income) transaction, there was a decrease in 2025 as compared to 2024, mainly due to the overall downturn in the construction industry, which led to a decline in the Company's total value of newly signed contracts and operating revenue compared to 2024. Due to factors such as the slowdown in project construction progress and the extension of construction periods, the rate at which the Group's orders for projects under construction, signed with connected persons, convert into revenue has slowed down, resulting in a decrease in the actual amount of engineering construction (income) transaction.

Annual caps

The Company estimates that the annual caps for the sale and purchase of materials (expenditure) and engineering construction (income) transactions under the New Framework Agreement for the year ending 31 December 2027 are as follows:

	<i>Unit: RMB0'000</i>
	For the year ending 31 December 2027
Transaction type	
Sale and purchase of materials (expenditure)	1,036,600
Engineering construction (income)	788,200

The annual caps for the year ending 31 December 2027 are higher than the historical data, which is mainly due to the fact that suppliers in most of the transactions between the Group and China Minmetals Group, in particular those in relation to sale and purchase of materials and engineering construction transactions, will be selected through the public tender process.

The Group strictly follows its internal procedures on bidding, and the Company is currently unable to predict whether the Group (if the Group is a bidder) or China Minmetals Group (if China Minmetals Group is a bidder) will win the bid for any particular project, therefore, in estimating the annual caps for the year ending 31 December 2027, the Company has made reference to the existing and expected bidding projects of the Group and China Minmetals Group, assumed that the Group will win the bid in all bidding projects of China Minmetals Group, or China Minmetals Group will win the bid in all bidding projects of the Group, and taken into consideration the estimated amount of the bidding projects as the basis for determining the annual caps.

LETTER FROM THE BOARD

The historical number of tenders for China Minmetals Group's bidding projects for which the Group participated in the bidding process and the number and proportion of China Minmetals Group's bidding projects won by the Group for the two years ended 31 December 2025 and for the period from 1 January 2026 to 30 April 2026 are as follows:

Transaction type	For the year ended 31 December 2024			For the year ended 31 December 2025			For the period from 1 January 2026 to 30 April 2026		
	Number of tenders for China Minmetals Group for which the Group participated in the bidding projects			Number of tenders for China Minmetals Group for which the Group participated in the bidding projects			Number of tenders for China Minmetals Group for which the Group participated in the bidding projects		
	Number of projects won by the Group	Tender success rate		Number of projects won by the Group	Tender success rate		Number of projects won by the Group	Tender success rate	
Engineering construction									
Income	93	42	45.16%	116	54	46.55%	77	26	33.77%

Basis of determination of annual caps

In determining the annual caps for the transactions of purchase of materials, the Company has mainly made reference to the purchase plan of the Group for each type of materials for the next one year, particularly the demand of construction projects (such as EPC projects) for steel and equipment, as well as the latest sale and purchase prices of relevant materials on the market. For the purchase of materials by the Group, subsidiaries of the Company have reported to the Company about their annual estimated procurement amounts for steel and equipment in 2027. Such amounts have been estimated by the subsidiaries based on their demands for steel and equipment for their bid-winning projects (such as general engineering contracting, general construction contracting and specialty contracting) or the projects for which they intend to participate in the bidding process, and with reference to the recent market prices of such steel and equipment as well as the procurement volume of such steel and equipment in 2025. In determining the market price of steel, subsidiaries of the Company have made reference to the recent price and the price trend of different types of steel as published on the website of Mysteel (www.mysteel.com); in determining the market price of equipment, subsidiaries of the Company have made reference to the historical transaction price of their procurement of similar equipment.

Mysteel is a leading commodity data service provider in China, which provides commodity data, pricing indices, market insight, news and information, as well as research and consultancy on the China and global markets. Mysteel is the first Chinese price reporting agency (PRA) to achieve the International Organization of Securities Commissions (IOSCO) assurance. The Directors are of the view that Mysteel is a reputable source of reference of prices for bulk raw materials.

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In determining the annual caps for the transactions of engineering construction, the Company has mainly made reference to the investment plan formulated under the strategic development plan of China Minmetals Group and the expected building cost of such engineering projects for which the Group intends to participate in the bidding process, and such building cost has been estimated with reference to the investment amount of similar projects within the same region. Adhering to a stable and progressive business strategy, as a provider of engineering construction services, the Company boasts professional construction capabilities, efficient performance record, strong research and development capabilities and high-quality service standards. The Company has established a long-term and stable business relationship with China Minmetals Group. Benefiting from the positive reputation and project experience built through past cooperation, the Company has continued to gain the trust and recognition of China Minmetals Group. Going forward, both parties will continue to collaborate synergistically to achieve the high-quality development of the Company.

According to statistics, as of 31 December, 2025, (i) for the sale and purchase of materials (expenditure), the current contracts in progress include business amount of RMB242.32 million expected to be carried over for implementation in 2027, business under contracts in progress of 2,730.34 million, and ongoing business of RMB2,736.12 million. Based on the business development in previous years, the estimated business for the year of 2027 is RMB2,600.06 million. Based on the year of 2027 operating targets, the estimated business is RMB1,114.00 million. The total estimated amount is approximately RMB9,422.84 million, and the total amount after a 10% increase is approximately RMB10,366.00 million; and (ii) for the engineering construction (income), the value of completed contracts expected to be settled in 2027 amounts to RMB305.50 million. The estimated amount of business to be completed in the year of 2027 under current contracts is RMB1,907.02 million, with signed contracts amounting to RMB1,922.51 million, and contracts under negotiation amounting to RMB2,120.00 million, and the estimated business for the year of 2027 is RMB910.00 million. The total amount of the aforementioned items is approximately RMB7,165.03 million, and the total amount after a 10% increase is approximately RMB7,882.00 million. As such, in estimating the annual caps for the year ending 31 December 2027, the Company has also taken these projects into consideration. In determining the annual caps, the Company has, at the macro level, fully considered the potential impact of the construction industry conditions on the demand for the relevant transactions. After comprehensively reviewing the current performance and newly signed contracts, it has thoroughly assessed factors such as contract amounts, annual operating targets, and price fluctuations. The Company has reserved reasonable flexibility in both the material procurement expenditure and construction project income caps to avoid any shortfall that might hinder business progress. Meanwhile, comparing historical execution, the annual caps over the past three years have shown a declining trend. Therefore, the Directors consider that, based on reasonable expectations of industry cyclical fluctuations, potential increases in raw material prices, and growth beyond specific business demand projections, the cap determination for this period continues the previous logic for setting such caps, aligns with the Company's existing business scale, and does not deviate abnormally from industry levels. As such, the establishment of such annual caps is reasonable.

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Pricing and internal control procedures

In order to ensure that the prices and terms of each type of the transactions under the New Framework Agreement will be no less favourable than those entered into between the Group and independent third parties and will not exceed the proposed annual cap under the New Framework Agreement, the Company has adopted the following measures and procedures:

For transactions under the New Framework Agreement of which the suppliers or service providers are determined through the public tender process, if the Group is the tenderer, the Group will invite no less than three entities to participate in the bidding and set up the tender evaluation committee accordingly (all of whose members are independent of China Minmetals and its associates). The total number of the tender evaluation committee members shall be an odd number of 5 or more. The evaluators shall be drawn from the Group's pool of experts, the number of people drawn shall not be less than 2/3 of the total number of evaluators, and the number of internal experts shall not be more than 1/2 of the total number of evaluators. The Group's expert pool consists of internal experts and social experts. Among them: internal experts shall have worked in the relevant professional fields for 5 years, possess a title of intermediate or above or an equivalent professional level, be familiar with the laws and regulations in the relevant fields such as tendering and bidding, and in principle, shall be on-the-job employees; social experts shall have worked in the relevant professional fields for 8 years, possess a senior title or an equivalent professional level, and be familiar with the laws and regulations in the relevant fields such as tendering and bidding. The tender evaluation committee will select the suppliers or service providers and determine the transaction prices with reference to, among others, the previous performance results, bidding prices and service quality of the bidders. The result of successful bid will be submitted to the persons in charge of the relevant business departments of the Group for consideration and approval. The Group and the persons in charge of the relevant business departments of the Group generally shall not cancel its qualification as the bid winner unless the bid winner voluntarily withdraws from the bid, refuses to sign the contract, proposes additional conditions at the time of signing of the contract, or force majeure events. The bid evaluation and scoring standards of the Group are divided into business score and technical score. According to the scoring standard, the bid with lowest price will not sure to obtain the highest business score, and the evaluation is based on comprehensive consideration of both the business and technical score. Therefore, there will be no winning bids based solely on lowest prices. If, after opening the bids, the quotations received from all bidders are higher than the budget of the Group and such quotations are regarded as reasonable prices after analysis, then such bids are still valid, and the Group will adjust and approve the budget according to the relevant policies and procedures. If the Group is a bidder, relevant business departments of the Group will determine the bidding price according to the requirements set forth in the tender documents with reference to the guiding price given by the local government and the market price. The guiding price given by the local government and the market price are updated and published regularly by the competent price bureau of the local government and the Group pays a fee to access such information to ensure that the Group's bidding price to China Minmetals Group is no less favourable than the Group's bidding price for independent tenderers. The bidding price will be submitted to the persons in charge of the relevant business departments of the Group for consideration and approval. The Group has established clear bidding policies and procedures to ensure that all projects follow a fair and just bidding process. These policies and procedures include but are not limited to supplier pre-evaluation, standardization of bidding documents, fair bid opening and evaluation principles. The

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Company will incorporate bidding and procurement into the key focus areas of daily monitoring and internal control evaluation, and will conduct at least one internal audit (conducted by the relevant department within the Company) and one external audit (conducted by the external auditor) of internal controls per year to ensure the legality and compliance of the bidding process. In view of the above, the Directors are of the view that the bidding price is fair and reasonable and in the interest of the Company and its Shareholders as a whole.

For transactions under the New Framework Agreement of which the prices are determined by the parties through negotiation, relevant business departments of the Group will make reference to the prices of similar transactions between the Group and independent third parties, and normally obtain two or more reference prices from independent third parties, after which the relevant business departments will determine the prices for each type of transactions and submit the same to the persons in charge of the relevant business departments for consideration and approval. If there were no references for a similar transaction between the Group and an independent third party, before such negotiation, both parties will first obtain information about the price level of similar products or services in the market, and will also analyse the cost of products or services and negotiate the prices based on the cost. In addition, the commercial value of the products or services could be evaluated to negotiate prices based on its commercial value. In any case, both parties will conduct sufficient communication and negotiation to determine a fair and reasonable price.

In order to ensure that the amount of each type of the transaction will not exceed the annual caps set under the New Framework Agreement, the relevant business departments of the Group will carry out statistical analysis on the actual transaction amount on a monthly basis so as to monitor the progress of the continuing connected transactions of the Group. The legal and affair department of the Group will review the contracts in relation to connected transactions before execution of the contracts. The law and contract management department of the Group adopts a unified review standard for contracts in relation to connected transaction and non- connected transaction, it will review the sophistication of the terms of the contract, completeness of contractual terms and any risks arising from the contracts. It will also review whether the pricing terms and payment methods are consistent with that of the New Framework Agreement.

The Directors in office at the time of convening the 83rd meeting of the third session of the Board (excluding Mr. Chen Jianguang and Mr. Yan Aizhong (who abstained from voting on the relevant resolution as they are deemed to be interested in the New Framework Agreement) and the independent non-executive Directors (as their views will be formed after taking into account the advice provided by the Independent Financial Adviser)) consider that the transactions under the New Framework Agreement are on normal commercial terms, in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and that the annual caps for the transactions under the New Framework Agreement are fair and reasonable.

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

Reasons for and benefits of the transactions under the New Framework Agreement

(1) Sale and purchase of materials

China Minmetals is a comprehensive conglomerate focusing on metal and mineral products business, and possessing trade-based, resource-backed, industry- and trading-integrated and vertically-extended capabilities. Steel trading is one of the traditional businesses of China Minmetals Group that not only possesses advantageous position in the domestic market but is also supported with international trading channels, which can provide the Group with stable supply of steel and relevant materials. Since China Minmetals Group possesses equipment manufacturing capabilities that differ from those of the Group, the supply of equipment can create complementary advantages, hence satisfying the needs of the Group for particular engineering construction and production and operation.

(2) Engineering construction

China Minmetals Group, relying on its globalized resource network and the layout of its entire industrial chain (covering exploration, mining, processing and trading and distribution of mineral resources), has accumulated profound experience in the field of mineral development. By participating in the bidding process for the engineering construction projects of China Minmetals Group, the Company will be able to enlarge its market share, increase its operating revenue, enhance market competitiveness and boost brand awareness so as to facilitate the brand building of the Company.

General information

The Group has strong construction capabilities in metallurgical engineering. It is a large conglomerate operating in various specialized fields, across different industries and in many countries. In recent years, the Company has remained committed to its goals for “One Goal, Two Best, Five Strengths”, being the goals established by the Company to creating a world-class enterprise with global competitiveness as the guiding principle; building the best full-service solution provider for metallurgical construction and operation with super core competitiveness, being the most reliable general contractor in infrastructure with global reputation and domestic leading position as its target, in order to become a world-class investment and construction group distinguished by its strong value creation ability, market competitiveness, innovative capabilities, resource allocation efficiency and cultural soft power.

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China Minmetals is a state wholly-owned enterprise established in the PRC. It is a comprehensive conglomerate focusing on metal and mineral products business, and possessing trade-based, resource-backed, industry- and trading-integrated and vertically-extended capabilities.

The Independent Board Committee and the Independent Financial Adviser

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in respect of the transactions of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps).

Gram Capital Limited, a corporation licensed to carry out business in Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed by the Company as the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders in respect of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps).

Accordingly, your attention is drawn to the letter from the Independent Board Committee set out on page 26 to 27 of this circular and the letter from Gram Capital set out on page 28 to 47 of this circular. Your attention is also drawn to the general information set out on page 96 to 98 of this circular.

The Company will seek approval from the Independent Shareholders at the AGM in respect of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps). In view of China Minmetals' interests in the transactions, China Minmetals and its associate CMGC, will abstain from voting at the AGM to approve the transactions in relation to the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps). As at the Latest Practicable Date, China Minmetals held 9,171,859,770 A Shares of the Company (representing 44.326% of the total issued shares of the Company), and CMGC held 1,019,095,530 A Shares of the Company (representing 4.925% of the total issued shares of the Company).

7. PROPOSED APPROVAL OF THE PROPOSAL IN RELATION TO THE “MANAGEMENT MEASURES OF REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT OF MCC” OF THE COMPANY

In accordance with the revised Code of Corporate Governance for Listed Companies issued by the China Securities Regulatory Commission (CSRC), and to implement the requirements concerning incentive and restraint mechanisms for the Company's directors and senior management, the Company has formulated the Management Measures of Remuneration of Directors and Senior Management of MCC (see Appendix V).

LETTER FROM THE BOARD

The proposal has been considered and approved at the 85th meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

8. PROPOSED APPROVAL OF THE PROPOSAL OF THE EMOLUMENTS OF DIRECTORS AND SUPERVISORS OF THE COMPANY FOR THE YEAR 2025

According to the relevant requirements of the Articles of Association, the 2025 annual emoluments of the current Directors and the Supervisors who held office during the year 2025 are set out below:

Directors' and Supervisors' Emoluments

Unit: RMB

Name	Basic salaries, housing allowances and other allowances in total	Pension scheme contributions (pension insurance borne by the Company)	Performance remuneration	Total annual remuneration
Chen Jianguang	0	0	0	0
Bai Xiaohu	1,031,756.00	71,254.08	269,060.89	1,372,070.97
Zhou Jichang	55,800.00	0	0	55,800.00
Lang Jia	299,400.00	0	0	299,400.00
Liu Li	332,400.00	0	0	332,400.00
Ng, Kar Ling Johnny	326,400.00	0	0	326,400.00
Zhou Guoping	328,000.00	0	0	328,000.00
Yan Aizhong	1,031,596.00	68,250.24	239,697.48	1,339,543.72
Sub-total of Directors	<u>3,405,352.00</u>	<u>139,504.32</u>	<u>508,758.37</u>	<u>4,053,614.69</u>
Yin Sisong	120,002.00	0	34,752.67	154,754.67
Zhang Yandi	0	0	0	0
Chu Zhiqi	0	0	0	0
Sub-total of Supervisors	<u>120,002.00</u>	<u>0</u>	<u>34,752.67</u>	<u>154,754.67</u>

The proposal has been considered and approved at the 83rd meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

LETTER FROM THE BOARD

9. PROPOSED APPROVAL OF THE PROPOSAL OF THE PROPOSED REMUNERATION PLAN OF DIRECTORS OF THE COMPANY FOR THE YEAR 2026

A. Remuneration of Directors and senior management for the year 2025

The remuneration of the Directors and senior management for the year 2025 has been disclosed in the Company's 2025 Annual Report, with a total remuneration of RMB9.615 million.

B. Proposed remuneration plan for Directors for the year 2026

To further improve the Company's corporate governance structure, establish robust incentive and restraint mechanisms for Directors, effectively enhance their work motivation and creativity, and promote the sustainable, healthy, and high-quality development of the Company, and in accordance with relevant regulatory requirements as well as the Company's actual circumstances, the Company has formulated the remuneration plan for Directors for the year 2026. Details are as follows:

For the year 2026, it is proposed that the remuneration plan for the Company's Directors be determined based on their respective job responsibilities, operating targets, working time and effort devoted, performance evaluation results, and other relevant factors.

For the chairman, Directors who also serve as senior management of the Company, and the employee representative Director, as they work full-time for the Company and hold corresponding positions, their total remuneration shall be determined under an assessment mechanism that combines basic salary and performance-based pay. Basic salary is set according to position-based standards and shall be paid monthly. Performance-based pay shall be calculated on the basis of the audited annual financial statements for the year, determining the extent to which annual performance targets have been achieved and the specific amount payable. The actual payment ratio shall comply with relevant requirements of state-owned assets supervision. Meanwhile, to encourage medium-to-long-term performance, in line with the principle of balancing incentives and constraints and the term-based incentive mechanism, a specified portion of the performance-based pay shall be deferred. The deferred portion shall be settled after the expiry of the lock-up period, subject to the fulfillment of predetermined conditions.

External directors shall receive basic remuneration and meeting attendance allowances. The basic remuneration shall be paid monthly, and meeting attendance allowances shall be paid when attending meetings of the Board and its special committees.

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Directors' remuneration is all pre-personal income tax income. For personal income tax, housing fund and various social insurance premiums, the portion borne by individuals shall be withheld and paid by the Company from their basic salaries, and the portion borne by the Company shall be paid by the Company.

Any matters not covered by this plan shall be implemented in accordance with national laws and regulations, regulatory requirements, the Articles of Association and other relevant provisions. This plan shall be interpreted by the Board and shall take effect upon approval by the Shareholders' meeting.

This proposal has been considered and approved at the 85th meeting of the third session of the Board, and is now submitted to the AGM for consideration and approval.

10. PROPOSED APPROVAL OF THE PROPOSAL OF BOND REGISTRATION AND ISSUANCE PLAN BY THE COMPANY

The Company plans to apply for new bond registration and issuance approvals from the National Association of Financial Market Institutional Investors (NAFMII) and the Shanghai Stock Exchange, in order to fully leverage the advantages of both bond markets and reduce financing costs. Details are as follows:

1. **Interbank Market Bonds.** NAFMII administers a tiered and categorized registration and issuance system for public bond offerings by enterprises. The Company intends to apply for registration of Debt Financing Instruments for Non-Financial Enterprises (TDFI) in accordance with applicable regulatory requirements. The product types covered include super short-term commercial paper, short-term commercial paper, medium-term notes, perpetual medium-term notes, asset-backed notes, and green debt financing instruments, with no limit on the issuance amount. The Company will issue such bonds in separate tranches opportunistically within the validity period of the registration acceptance notice. The validity period shall commence from the date of approval by the AGM and end on the expiry date of the registration acceptance notice issued by NAFMII.
2. **Corporate Bonds.** The Company intends to apply to the China Securities Regulatory Commission (CSRC) through the Shanghai Stock Exchange for a "shelf" corporate bond quota of no more than RMB15 billion (inclusive). Within the validity period of the quota, the bonds will be issued in separate tranches opportunistically. The product types include ordinary corporate bonds, short-term corporate bonds, and perpetual corporate bonds. The validity period shall commence from the date of approval by the AGM and end on the expiry date of the CSRC approval for the issuance.
3. **Matters relating to the issuance within the scope of the above bond registration and issuance plan, including the issuance plan, issuance documents, establishment of special accounts, and subsequent management of issuance etc., shall be proposed to the general meeting for authorization to the Board, and that the Board shall authorize the president's office of the Company to deal with the matters in accordance with the resolution of the general meeting and the authorization from the Board. The authorization above shall be effective from the date of approval at the current AGM till the completion of the above-mentioned authorization matters.**

LETTER FROM THE BOARD

As of the Latest Practicable Date, the conduct of such business by the Company did not give rise to any circumstances that would require disclosure under the Listing Rules. In the event that the formal conduct of such business in the future constitutes a disclosure by way of an announcement and/or the obtaining of Shareholders' approval under the Listing Rules, the Company will further comply with the relevant requirements.

The proposal has been considered and approved at the 83rd meeting of the third session of the Board, which is now submitted to the AGM for consideration and approval.

11. PROPOSED APPROVAL OF THE PROPOSAL OF GENERAL MANDATE TO REPURCHASE H SHARES BY THE COMPANY

To safeguard the value of the Company and Shareholders' interests and to enable the Company to repurchase the Company's Shares in a timely and flexible manner, the resolution on the proposed general mandate to repurchase H Shares has been approved at the 85th meeting of the third session of the Board of the Company. The resolution on the proposed grant of the general mandate to repurchase H Shares will be proposed as a special resolution for consideration and approval by Shareholders at the AGM, details of which are set out below:

In respect of the H Share repurchase mandate, the total number of H Shares that the Company may repurchase with its own funds during the Relevant Period (as defined below) shall not exceed 10% of the total number of issued H Shares (excluding any treasury shares and H Shares repurchased but not yet cancelled) as at the date of approval of the relevant H Share repurchase resolution at the AGM, and the total amount for such repurchases shall not exceed RMB500 million. The repurchase price on the date of repurchase shall not be higher than 105% of the average closing price of H Shares on the Stock Exchange for the preceding five trading days. All H Shares repurchased by the Company pursuant to the H Share repurchase mandate will be cancelled, and the registered capital of the Company will be reduced accordingly.

In accordance with relevant regulatory provisions, the Company requests the AGM to consider and approve by special resolution the granting of a general mandate to the Board for the repurchase of H Shares:

- (i) Selecting the appropriate time to repurchase H Shares during the Relevant Period, including but not limited to determining the specific timing, price and quantity of the H Shares to be repurchased;
- (ii) Processing all relevant approval formalities in accordance with applicable laws, regulations, and normative documents, including but not limited to authorising, executing, amending, and completing all necessary documents, contracts, and agreements related to the H Share repurchase hereunder;

LETTER FROM THE BOARD

- (iii) Authorising the Board and any person authorised by the Board to make corresponding adjustments to the specific terms of the share repurchase plan and other related matters if there are changes in regulatory policies on share repurchases or market conditions, save for matters that are required by law, administrative regulations or the Articles of Association to be re-voted on by the Shareholders' meeting;
- (iv) Cancelling the repurchased H Shares upon completion of the share repurchase in light of the actual repurchase results; notifying creditors and making public announcements regarding the reduction of the Company's registered capital after the Shareholders' meeting passes the resolution for the cancellation of the repurchased shares in accordance with the requirements of the Company Law; revising the Articles of Association and other data and documents that may be subject to changes; and processing the formalities for the amendment to the Articles of Association and the change of registered capital of the Company;
- (v) Authorising the Board to decide to continue or terminate the implementation of the H Share repurchase plan based on the Company's actual operations, share price performance and other comprehensive factors, save for matters that are required by law, regulations or the Articles of Association to be re-voted on by the Shareholders' meeting;
- (vi) Notifying creditors, communicating with creditors and reaching arrangements for the disposal of debts;
- (vii) Processing other necessary matters in connection with the share repurchase that are not listed above but are essential for the implementation of the share repurchase hereunder in accordance with applicable laws, administrative regulations and the relevant requirements of regulatory authorities.

With respect to the above-mentioned authorizations, except for item (v) and other matters expressly required to be approved by the Board in accordance with relevant laws, regulations and the Articles of Association, all other matters related to the H Share repurchase shall be handled specifically by the Chairman of the Board within the scope of the aforesaid authorization, as authorised by the Board.

For the purpose of the H Share repurchase mandate, the "Relevant Period" means the period commencing on the date on which the resolution for granting the H Share repurchase mandate is passed at the AGM and ending on the earliest of the following dates: (i) the date of conclusion of the 2026 annual general meeting to be held in 2027; or (ii) the date on which the H Share repurchase mandate covered by this resolution is revoked or varied by a special resolution of any Shareholders' meeting of the Company.

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An explanatory statement, required by the Listing Rules to be sent to Shareholders in connection with the proposed general mandate to repurchase the Shares, is set out in Appendix VI to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution.

This proposal has been considered and approved at the 85th meeting of the third session of the Board, and is now submitted to the AGM for consideration and approval.

12. PERFORMANCE REPORT BY THE INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to the Articles of Association, the independent non-executive Directors shall issue a performance report at the AGM. Such report will be submitted to the Shareholders for consideration but not for the Shareholders' approval. The performance reports of each of the independent non-executive Directors of the Company are set out in Appendix III of this circular for the Shareholders' information.

13. REPORT ON THE PROPOSED REMUNERATION PLAN FOR SENIOR MANAGEMENT FOR THE YEAR 2026

To further improve the Company's corporate governance structure, establish robust incentive and restraint mechanisms for senior management, effectively enhance their work motivation and creativity, and promote the sustainable, healthy, and high-quality development of the Company, and in accordance with relevant regulatory requirements as well as the Company's actual circumstances, the Company has formulated the remuneration plan for senior management for the year 2026. Pursuant to A Share regulatory requirements, this plan shall be submitted to Shareholders for consideration, but shall not require the approval of Shareholders. The plan are detailed as follows.

For the year 2026, the remuneration plan for the Company's senior management shall be determined based on their respective job responsibilities, operating targets, performance evaluation results, and other relevant factors.

The total remuneration of senior management shall be determined under an assessment mechanism that combines basic salary and performance-based pay. Basic salary is set according to position-based standards and shall be paid monthly. Performance-based pay shall be calculated on the basis of the audited annual financial statements for the year, determining the extent to which annual performance targets have been achieved and the specific amount payable. The actual payment ratio shall comply with relevant requirements of state-owned assets supervision. Meanwhile, to encourage medium-to-long-term performance, in line with the principle of balancing incentives and constraints and the term-based incentive mechanism, a specified portion of the performance-based pay shall be deferred. The deferred portion shall be settled after the expiry of the lock-up period, subject to the fulfillment of predetermined conditions.

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The remuneration of senior management is all pre-personal income tax income. For personal income tax, housing fund and various social insurance premiums, the portion borne by individuals shall be withheld and paid by the Company from their basic salaries, and the portion borne by the Company shall be paid by the Company.

Any matters not covered by this plan shall be implemented in accordance with national laws and regulations, regulatory requirements, the Articles of Association and other relevant provisions. This plan shall be interpreted by the Board and shall take effect upon consideration and approval by the Board.

The report will be submitted to Shareholders for consideration but is not subject to Shareholders' approval.

THE AGM

The AGM will be held by the Company for the purpose of, among other things, considering and approving the following resolutions by the Shareholders:

- (1) the proposal in relation to the "Work Report of the Board of MCC for the Year 2025" (see Appendix IV)
- (2) the proposal in relation to the report on final accounts of the Company for the year 2025 (as set out in the 2025 annual report of the Company)
- (3) the proposal in relation to the profit distribution plan of the Company for the year 2025 and the authorization for the 2026 interim dividend
- (4) the proposal in relation to the appointment of the Company's auditor and internal control auditor for the year 2026
- (5) the proposal in relation to the plan of guarantees to be provided by the Company for the year 2026
- (6) the proposal in relation to the financial derivatives business plan of the Company for the year 2026
- (7) the proposal in relation to the entering into of the New Framework Agreement between the Company and China Minmetals and annual caps of continuing connected transactions for the year 2027

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- (8) the proposal in relation to the “Management Measures of Remuneration of Directors and Senior Management of MCC” (See Appendix V)
- (9) the proposal in relation to the emoluments of the Directors and Supervisors of the Company for the year 2025
- (10) the proposal in relation to the proposed remuneration plan of Directors of the Company for the year 2026
- (11) the proposal in relation to the bond registration and issuance plan of the Company
- (12) the proposal in relation to the general mandate for the Company to repurchase H shares

CLOSURE OF H SHARES REGISTER OF MEMBERS

In order to ascertain the Shareholders who will be qualified to attend and vote at the AGM, the H Shares register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026, both days inclusive, during which period no transfer of Shares will be effected. The record date for determining the entitlement of H Shareholders to attend and vote at the AGM is Wednesday, 24 June 2026. In order to attend and vote at the AGM, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at or before 4:30 p.m. on Tuesday, 23 June 2026. Details of the AGM are set out in the Notice dated 5 June 2026.

A form of proxy applicable for the AGM are enclosed with this circular. If you intend to appoint a proxy to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon. In order to be valid, the form of proxy together with the power of attorney or other authorization document (if any) shall be deposited at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 24 hours before the AGM (excluding any public holiday). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

VOTING BY WAY OF POLL

In accordance with the Articles of Association and the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the Notice will be voted by way of poll. Voting results will be uploaded to the website of the Company (www.mccchina.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk) as soon as possible after the conclusion of the AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Independent Board Committee has been established by the Company to advise the Independent Shareholders in respect of the transactions of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps).

Gram Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the same. The full text of the letter from the Independent Financial Adviser is set out on pages 28 to 47 of this circular.

The Independent Board Committee, having taken into account and based on the recommendation of the Independent Financial Adviser as set out in this circular, considers that the transactions of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the AGM to approve the transactions relating to the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps).

GENERAL RECOMMENDATION

The Directors are of the opinion that the proposed resolutions set out in the Notice are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of these proposed resolutions.

Yours faithfully

By order of the Board

Metallurgical Corporation of China Ltd.*

Li Zhongze

Chairman and Executive Director

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)

5 June 2026

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of the Company dated 5 June 2026 (the “**Circular**”), of which this letter forms part. Terms defined in the Circular have the same meanings when used in this letter unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to advise the Independent Shareholders as to whether, in our opinion, the transactions of the sale and purchase of materials (expenditure) as well as the engineering construction (income) under the New Framework Agreement (including the relevant annual caps) are entered into on normal commercial terms during the usual and ordinary course of business of the Group, and in the interests of the Company and its Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps).

We wish to draw your attention to the letter from the Board set out on pages 1 to 25 of the Circular and the letter from Gram Capital to the Independent Board Committee and the Independent Shareholders set out on pages 28 to 47 of the Circular. The letter from Gram Capital contains the opinion of Gram Capital in respect of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps).

Having taken into account the advice of Gram Capital and its recommendation in relation thereto, we consider that the transactions of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps) are entered into on normal commercial terms during the usual and ordinary course of business of the Group, and in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend that you vote in favour of the ordinary resolutions to be proposed at the AGM to approve the transactions of the sale and purchase of materials (expenditure) and engineering construction (income) under the New Framework Agreement (including the relevant annual caps).

Yours faithfully,

Metallurgical Corporation of China Ltd.*

Independent Board Committee

Liu Li

Ng, Kar Ling Johnny

Zhou Guoping

* *For identification purposes only*

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transactions for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

5 June 2026

*To: The Independent Board Committee and the Independent Shareholders
of Metallurgical Corporation of China Ltd.**

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions under the New Framework Agreement (including the relevant annual caps) (collectively, the “**Transactions**”), details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 5 June 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 30 March 2026 (the “**Announcement Date**”), the Board approved the Company to enter into the New Framework Agreement with China Minmetals so as to continue to carry out various types of transactions (including the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions) with China Minmetals Group. The New Framework Agreement will be valid for a term of one year, effective from 1 January 2027, subject to the approval by the Independent Shareholders at the annual general meeting. The New Framework Agreement was entered into on 26 May 2026.

With reference to the Board Letter, the Transactions constitute continuing connected transactions and are subject to the reporting, announcement, annual review and Independent Shareholders’ approval requirements under Chapters 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Liu Li, Mr. Ng, Kar Ling Johnny and Ms. Zhou Guoping (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Transactions are on normal commercial terms and are fair and reasonable; (ii) whether the Transactions are in the interests of the Company and the Shareholders as a whole and in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolution to approve the Transactions at the AGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as an Independent Financial Adviser in relation to the Company's (i) continuing connected transaction, details of which are set out in the Company's circular dated 3 June 2024; (ii) continuing connected transaction, details of which are set out in the Company's circular dated 6 June 2025; and (iii) very substantial disposal and connected transaction, details of which are set out in the Company's circular dated 12 December 2025 (the "**Disposal**"). Save for the aforesaid engagements, there was no other service provided by Gram Capital to the Company during the past two years immediately preceding the Latest Practicable Date.

Notwithstanding the aforesaid past engagements, we were not aware of any relationship or interest between Gram Capital and the Company or any other parties during the two years immediately preceding the Latest Practicable Date that could be reasonably regarded as a hindrance to Gram Capital's independence under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

Having considered the above and that none of the circumstances as set out under Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the

reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, China Minmetals or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Transactions, we have taken into consideration the following principal factors and reasons:

Information on the Group

With reference to the Board Letter, the Group has strong construction capabilities in metallurgical engineering. It is a large conglomerate operating in various specialized fields, across different industries and in many countries. In recent years, the Company has remained committed to its goals for "One Goal,

APPENDIX II LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Two Best, Five Strengths”, being the goals established by the Company to creating a world-class enterprise with global competitiveness as the guiding principle; building the best full-service solution provider for metallurgical construction and operation with super core competitiveness, being the most reliable general contractor in infrastructure with global reputation and domestic leading position as its target, in order to become a world-class investment and construction group distinguished by its strong value creation ability, market competitiveness, innovative capabilities, resource allocation efficiency and cultural soft power.

Set out below is the audited consolidated financial information of the Group for the two years ended 31 December 2025 as extracted from the Company’s annual report for the year ended 31 December 2025 (the “**2025 Annual Report**”):

	For the year ended 31 December 2025	For the year ended 31 December 2024	Year on year change
	<i>RMB’000</i>	<i>RMB’000</i>	<i>%</i>
Total operating revenue	455,380,420	552,024,638	(17.51)
– <i>Engineering contracting</i>	405,364,066	501,672,603	(19.20)
– <i>Featured business</i>	29,397,544	28,858,637	1.87
– <i>Discontinued operations</i>	20,618,810	21,493,398	(4.07)
Net profit	2,522,028	7,904,332	(68.09)

As shown in the above table, the Group’s total operating revenue was approximately RMB455.38 billion for the year ended 31 December 2025 (“**FY2025**”), representing a decrease of approximately 17.51% as compared to that for the year ended 31 December 2024 (“**FY2024**”). The Group generated majority of its revenue from engineering contracting business. Revenue from the engineering contracting business were approximately RMB501.67 billion and RMB405.36 billion for FY2024 and FY2025 respectively, representing approximately 90.88% and 89.02% of the Group’s revenue for FY2024 and FY2025 respectively. With reference to the 2025 Annual Report, the decrease in the Group’s total operating revenue was mainly due to the Group’s proactive optimization of project structure, refocusing on its core business and concentration on profitable and cash flow-generating operations.

Along with the aforesaid decrease in the Group’s total operating revenue and the increase in impairment losses of assets primarily due to the Disposal, the Group’s net profit decreased by approximately 68.09% from approximately RMB7.90 billion for FY2024 to approximately RMB2.52 billion for FY2025.

Information on China Minmetals

With reference to the Board Letter, China Minmetals is a state wholly-owned enterprise established in the PRC. It is a comprehensive conglomerate focusing on metal and mineral products business, and possessing trade-based, resource-backed, industry- and trading-integrated and vertically-extended capabilities.

Reasons for and benefits of the Transactions

As illustrated in the section above, the engineering contracting segment and featured business segment are the Group's major sources of revenue. The purchase of materials (such as steels and equipment which satisfies the Group's needs for engineering construction and production operation); and the engineering construction (income) transaction (the income that will be recorded under engineering contracting segment) are conducted in the Group's ordinary and usual course of business. As advised by the Directors, the aforesaid transactions will be entered into on a frequent basis.

With reference to the Board Letter, steel trading is one of the traditional businesses of China Minmetals Group that not only possesses advantageous position in the domestic market but is also supported with international trading channels, which can provide the Group with stable supply of steel and relevant materials. Since China Minmetals Group and the Group possess different capabilities in equipment manufacturing, the supply of equipment can create complementary advantages, hence satisfying the needs of the Group for particular engineering construction and production and operation.

Furthermore, China Minmetals Group, relying on its globalized resource network and the layout of its entire industrial chain (covering exploration, mining, processing and trading and distribution of mineral resources), has accumulated profound experience in the field of mineral development. By participating in the bidding process for the engineering construction projects of China Minmetals Group, the Company will be able to enlarge its market share, increase its operating revenue, enhance market competitiveness and boost brand awareness so as to facilitate the brand building of the Company.

As further advised by the Directors, the Directors consider that it would be less burdensome for the Company to enter into the New Framework Agreement than to enter into individual agreements and make separate disclosure of each relevant transactions and, obtain separate approvals from the Independent Shareholders as required by the Listing Rules. We noted from the Framework Agreement and the New Framework Agreement that the scope of the transactions contemplated thereunder are related to the Group's principal activities, and the prices and terms of each type of transactions (including sale and purchase of materials (expenditure) transactions and engineering construction (income) transaction) will be no less favourable than those entered into between the Group and independent third parties.

Based on our discussion with the Directors and according to the 2025 Annual Report:

- (i) the Group's engineering contracting business requires raw materials including, among other things, steel, while the Group's featured business requires steel, cement, equipment and spare parts, where the Group will, as a purchaser, purchase from China Minmetals Group (under the sale and purchase of materials (expenditure) transactions) according to the New Framework Agreement; and

- (ii) revenue generated from the Group's engineering contracting segment accounted for around 90% of the total operating revenue of the Group for both FY2024 and FY2025. Revenue generated and to be generated from the engineering construction (income) transactions pursuant to the Framework Agreement and the New Framework Agreement has been and will be recorded in this segment.

Having considered the aforesaid, we concur with the Directors that the Transactions will be conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and Shareholders as a whole.

Principal terms of the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions under the New Framework Agreement

Set out below are the principal terms of the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions contemplated under the New Framework Agreement, details of which are set out under the section headed "6. Proposed Approval of the Proposal of the New Framework Agreement entered into between the Company and China Minmetals and the Annual Caps for 2027" of the Board Letter:

Parties

- (1) The Company; and
- (2) China Minmetals

Term

The New Framework Agreement will be effective for a term of one year from 1 January 2027, subject to the approval by the Independent Shareholders at the AGM.

Transaction types

- (1) *Sale and purchase of materials (expenditure) transactions*

The Group will, as a purchaser, purchase steel, as well as the equipment necessary for general construction contracting and production and operation from China Minmetals Group. China Minmetals Group shall also provide relevant logistics services in relation to the materials supplied, including, storage, freight forwarding, shipping and land transportation and other services. The equipment purchased by the Group from China Minmetals Group is mainly equipment accessories such as containers, flue gas denitrification equipment for rotary kilns and vertical mills.

(2) Engineering construction transactions

The Company will, as a contractor, provide engineering contracting and construction-related services to China Minmetals Group.

Pricing of the transactions and internal control procedures

Pursuant to the New Framework Agreement, with respect to the materials and services provided to the Group by China Minmetals Group, China Minmetals has undertaken that it will not, and will procure its subsidiaries not to provide relevant materials and services to the Group on terms which are less favourable than those offered to third parties.

(1) Sale and purchase of materials (expenditure) transactions

The suppliers and prices of steel and equipment will be determined by a tender process conducted by the purchaser at market prices in accordance with the principles of openness, impartiality and fairness on the purchase platform of the purchaser, and the result of successful bid will be publicly announced on the website of the purchase platform operated by the purchaser. Upon winning the bid, the parties will enter into a specific purchase contract, in which the payment arrangement on the purchase price, generally including prepayments, payments upon goods delivery and completion of inspection and acceptance and quality guarantee deposits, will be specified.

The prices of logistics and warehousing will be determined through negotiation with reference to market prices. Both parties will specify the payment arrangement in the specific purchase contract.

(2) Engineering construction (income) transactions

The price of engineering construction projects will be determined through public tender. Pursuant to the relevant laws and regulations for public bidding and tendering in China, the public bidding and tendering results and prices of state-owned projects, state-owned investment projects and those construction projects related to the national economy and the people's livelihood will be announced on the website of the platform of public bidding and tendering of government projects. Upon winning the bid, the parties will enter into a specific construction contract, in which the payment arrangement on the construction price (which will be generally paid according to the progress of a particular project or the completion ratio calculated on a monthly basis) will be specified.

Internal control procedures

With reference to the Board Letter, in order to ensure that the prices and terms of the Transactions will be no less favourable than those entered into between the Group and independent third parties, the Company has adopted the certain measures and procedures, details of which are set out in the sub-section headed “Pricing and internal control procedures” under the section headed “6. Proposed Approval of the Proposal of the New Framework Agreement entered into between the Company and China Minmetals and the Annual Caps of Continuing Connected Transactions for the Year 2027” of the Board Letter.

Having considered that:

- (i) for transactions under the New Framework Agreement of which the suppliers or service providers are determined through public tender process and the Group being the tenderer, the Group will invite no less than three entities to participate in the bidding and set up the tender evaluation committee comprising of members independent to the China Minmetals and its associate with specific requirements on the number and qualification of internal and social experts;
- (ii) for transaction under the New Framework Agreement of which the suppliers or service providers are determined through public tender process and the Group being the bidder, the relevant business departments of the Group will determine the bidding price according to the requirements set forth in the tender documents with reference to the guiding price given by the local government and the market price published regularly by the competent price bureau of the local government; and
- (iii) for transactions under the New Framework Agreement of which the prices are determined by the parties through negotiation, the relevant business department of the Group will make reference to the prices of similar transaction between the Group and independent third parties and normally obtain two or more reference prices from independent third parties,

We are of the view that the effective implementation of the internal control procedures will ensures the fair pricing of the transactions (including sale and purchase of materials (expenditure) transactions and engineering construction (income) transaction) under the Framework Agreement and the New Framework Agreement.

To assess the effectiveness of the internal control measures, we obtained from the Company a list of contracts entered into between the Group and China Minmetals Group regarding sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions for FY2025. From the aforesaid lists:

- we randomly selected and obtained 3 sets of individual contracts regarding the sale and purchase of materials (expenditure) transactions, together with (i) the relevant tender invitation and assessment records; and (ii) 3 sets of individual contracts for the same type of products entered into between

the Group and independent third parties for comparison. We noted that the individual contracts regarding the sale and purchase of materials (expenditure) transactions between the Group and the China Minmetals Group were entered after the relevant tender process, whereby the tender invitations were publicly announced on the website of the purchase platform operated by the purchaser, and the tenders were assessed from commercial and/or technical aspects; and the unit price for the materials underlying the sale and purchase of materials (expenditure) transactions were no less favourable to the Group than those entered into between the Group and independent third parties.

- we randomly selected and obtained 3 sets of individual contracts and the relevant tender evaluation and award documents regarding the engineering construction (income) transactions for FY2025. We noted that such individual contracts were all entered into through tender process. As confirmed by the Directors, these individual contracts were all entered into after the relevant tender process, with key terms being fixed based on the requirements of the tender.

As the contract values of the sampled individual contracts accounted for over 20% of the total contract values of all relevant contracts of the respective type of transactions for FY2025, being the most recent full financial year, and covered all types of pricing principles under the Transactions, we consider the samples reviewed are sufficient, adequate and representative for us to assess the effectiveness of the internal control measures.

With reference to the 2025 Annual Report, the Company's independent non-executive Directors have reviewed the continuing connected transactions (including, among others, the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions) and confirmed that these transactions have been entered into: (a) in the ordinary course of business of the Company; (b) either on normal commercial terms or on terms no less favourable to the Company than those available to or provided from (as appropriate) independent third parties as the Company is concerned; and (c) in accordance with the terms of the agreements governing them that are fair and reasonable and in the interests of the Company's Shareholders as a whole.

In addition, the Company's auditors were engaged to report on the continuing connected transactions of the Company (including, among other things, the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions) in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor had issued their unqualified letter containing their conclusions in respect of the continuing connected transactions (including the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions) in accordance with Rule 14A.56 of the Listing Rules, stating that, during FY2025: (a) nothing has come to the auditor's attention that causes the auditor to believe that the continuing connected transactions have not been approved by the Board; (b)

for transactions involving the provision of goods or services by the Company, nothing has come to the auditor’s attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Company; (c) nothing has come to the auditor’s attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and (d) nothing has come to the auditor’s attention that causes the auditor to believe that the amount of the continuing connected transactions have exceeded the total annual caps set by the Company.

In light of our works as mentioned above, we consider the internal control measures in place are effective to ensure that the prices and terms of the and sale and purchase of materials (expenditure) transactions and the engineering construction (income) transactions under the New Framework Agreements will not be less favourable to the Group than those entered into between the Group and independent third parties.

Proposed annual caps

(1) Sale and purchase of materials (expenditure) transactions

Set out below is (i) the historical transaction amounts of the sale and purchase of materials (expenditure) transactions for the three years ending 31 December 2026; (ii) the existing and previous annual caps together with the relevant utilisation rates; and (iii) the proposed annual caps for the year ending 31 December 2027:

	For the year ended 31 December 2024 RMB’000	For the year ended 31 December 2025 RMB’000	For the year ending 31 December 2026 (“FY2026”) RMB’000
Historical transaction amounts	9,449,843	6,310,241	1,048,590 ^(Note)
Existing/previous annual caps	23,537,130	23,200,000	14,931,000
Utilisation rate (%)	40.15	27.20	7.02
			For the year ending 31 December 2027 (“FY2027”) RMB’000
Proposed annual cap			10,366,000

Note: For the four months ended 30 April 2026 (“4M2026”).

As depicted in the above table, the historical transaction amounts for sale and purchase of materials (expenditure) transactions were approximately RMB9,450 million and RMB6,310 million for FY2024 and FY2025 respectively, representing utilisation rates of approximately 40.15% and 27.20% respectively. Furthermore, the historical transaction amount for sale and purchase of materials (expenditure) transactions was approximately RMB1,049 million for 4M2026, representing approximately 7.02% of the existing annual cap for FY2026.

As advised by the Directors, the difference between the historical annual caps and the historical transaction amounts was primarily an outcome of the Group's actual operations, in particular, the Group might also procure material from other suppliers depending on the outcome of the tender process, and certain transactions might still be under negotiation and there might be delay in execution.

To assess the fairness and reasonableness of the proposed annual caps for the sale and purchase of materials (expenditure) transactions, we obtained a detailed calculation of the same (the "**Materials Annual Cap Calculation**"). We understood from the Directors that the calculation includes estimated transactions of subsidiaries of the Company and were formulated and approved by the relevant operating subsidiaries before submitting to the Company for consolidation and review and were formulated based on the business needs of the relevant operating subsidiaries. We noted from the Materials Annual Cap Calculation that the proposed annual cap for the and purchase of materials (and expenditure) transactions was formulated based on the estimated transaction amounts for FY2027 and a buffer of approximately 10%.

Based on Materials Annual Cap Calculation, the estimated transaction amount of purchase of materials (expenditure) transaction for FY2027 was approximately RMB9,422.84 million, formulated based on:

- (i) the value of contracted business that are expected to be carried over for implementation in 2027 of approximately RMB242.32 million;
- (ii) the value business under contracts in progress of approximately RMB2,730.34 million;
- (iii) the value of projects being followed up by relevant business units of approximately RMB2,736.12 million;
- (iv) the estimated transaction amount for FY2027 based on the business development in the previous years of approximately RMB2,600.06 million; and
- (v) the estimated transaction amount for FY2027 based on the Group's operating target of approximately RMB1,114.00 million.

As advised by the Directors, the estimated transaction amount based on the business development in the previous years and the Group's operating target of approximately RMB2,600.06 million and RMB1,114.00 million respectively were determined after taking into account the characteristics of the industry such as project progress, building material price fluctuation and centralised procurement operation. These amounts were estimated by the Company's subsidiaries based on (i) historical material procurement and consumption level; and (ii) projection of material procurement expenditure according to the annual project volume for FY2027, construction progress plan and the Group's operational targets. We are of the view that the factors considered by the subsidiaries of the Company in determining the estimated transaction amounts of projects that are based on the business development and the Group's operating targets to be justifiable.

We noted from the Materials Annual Cap Calculation that approximately over 90% of the estimated transaction amounts in relation to the sale and purchase of materials (expenditure) transactions for FY2027 were determined to cater for the purchase of steels from China Minmetals Group. As advised by the Directors, the estimated transaction amounts in relation to the sale and purchase of materials (expenditure) transactions were determined based on the Group's demand for steels and China Minmetals Group's supply capacity.

As the supplier of the transactions between the Group and China Minmetals Group for sale and purchase of materials (expenditure) transactions would be selected through tender process, the existing and proposed annual caps in relation to the sale and purchase of materials (expenditure) transactions were determined on the assumption that China Minmetals Group would be awarded all of the tenders. The low utilisation of the existing annual caps was primarily the outcome of the Group's tender process where other independent suppliers may be awarded the relevant tenders.

We further understood from the Directors that the estimated transaction amounts that were formulated based on the historical transaction amount of the sale and purchase of materials (expenditure) transactions including possible increase in unit prices, possible business growth, possible recovery in steel demand following the continuous decrease in demand in recent years, and the status of the relevant engineering construction projects for which the steels are used.

For our due diligence purposes, we examined the historical closing price of stainless steel during the period from 1 January 2024 to the Announcement Date (the "**Review Period**"), based on information obtained from Wind Financial Terminal. As the Review Period represents approximately two-year period prior to the Announcement Date, we consider such period to be fair and representative.



Source: Wind Financial Terminal

The highest and lowest closing prices of stainless steel during the Review Period are RMB14,900 per metric ton recorded on 22 May 2024 and RMB12,285 per metric ton recorded on 20 November 2025, respectively.

From the start of the Review Period up to March 2024, the closing prices of stainless steel fluctuated between the range of RMB13,330 per metric ton to RMB14,355 per metric ton. From April 2024 onward, the closing price of stainless steel formed a short-term increasing trend and reached the highest closing price of RMB14,900 per metric ton on 22 May 2024. From June 2024 to November 2024, the closing price of stainless steel formed a general decreasing trend and reached the lowest closing price of RMB12,285 per metric ton on 20 November 2024. From mid-December 2025, the closing price of stainless stain surged and reached the short-term highest of RMB14,720 per metric ton on 21 January 2026. The closing price of stainless steel had subsequently dropped to RMB13,420 per metric ton on 2 February 2026 and fluctuated thereafter between the range RMB13,585 per metric ton and RMB14,490 per metric ton before it reached the closing price of RMB14,370 per metric ton on the Announcement Date.

We understood from the Directors that the closing prices of stainless steel were relatively low during the Review Period, indicating reduced demand for stainless steel as a result of the downturn of the PRC's real estate industry. Furthermore, we noted that the national fixed assets investment in the PRC for 2025 decreased by approximately 3.9% as compared to that for 2024, being the first decline in the past 10 years. The aforesaid indicated the reduced demand for stainless steel and thus we consider the downward adjustment of the proposed annual cap for FY2027 as compared to that for FY2026 to be justifiable.

Despite the low utilisation of the previous and existing annual caps, given that (i) majority of the estimated transaction amounts were determined to cater for the purchase of steels from certain subsidiaries of China Minmetals; (ii) the value of signed contracts for sale and purchase of materials (expenditure) transactions, the value of projects which the Group was awarded with the relevant tenders and the value of projects pending to submit the relevant tenders in aggregate constitutes a substantial portion of the estimated transaction amounts for FY2027; (iii) the purchase of materials such as steels and equipment are to satisfy the Group's needs for engineering construction and production operation; and (iv) the proposed annual caps was determined based on the projects which China Minmetals Group is contracted or is anticipated to participate the bidding process, which represents the highest possible transaction amount with China Minmetals Group in respect of sale and purchase of materials (expenditure) transactions, we consider the estimated amount of sale and purchase of materials (expenditure) transactions for FY2027 is justifiable.

As mentioned above, the Company applied a buffer of 10% to the estimated transaction amounts for FY2027 to cater for any unforeseeable circumstances such as the unexpected increase in demand of products and the unexpected increase in price of the products.

To assess the fairness and reasonableness of the buffer of approximately 10%, we searched for circulars regarding continuing connected transactions in relation to the sale or purchase of products or services published by other Hong Kong listed companies during the period from 1 January 2025 to the Announcement Date. We noted that out of the 11 circulars published by other Hong Kong listed companies that specified their buffer included in the annual caps regarding continuing connected transactions during the said period, five of which incorporated buffer of around 10% in their annual caps regarding continuing connected transactions. As such, we consider the incorporation of buffer of approximately 10% in the annual caps is not uncommon among listed companies in Hong Kong and is in line with market practice and therefore it is justifiable.

Having considered the above, in particular, (i) the estimated transaction amounts in relation to the sale and purchase of materials (expenditure) transactions for FY2027 is justifiable; (ii) the buffer of 10% is justifiable; and (iii) the estimated transaction amounts were formulated on the basis that the existing and estimated bidding projects of China Minmetals Group that the Group intends to participate would be won by the Group, which coincide with the purpose of the annual cap to cater for the possible business needs of the Group, we are of the view that the proposed annual cap for FY2027 is fair and reasonable.

Shareholders should note that as the proposed annual cap is relating to future events and was estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2027, and they do not represent forecasts of costs to be incurred from the sale and purchase of materials (expenditure) transactions. Consequently, we express no opinion as to how closely the actual transaction amount to be incurred from the sale and purchase of materials (expenditure) transactions will correspond with the proposed annual cap.

In light of the above, we consider that the terms of the sale and purchase of materials (expenditure) transactions (including the proposed annual cap for FY2027) are on normal commercial terms and are fair and reasonable.

(2) Engineering construction (income) transactions

Set out below is (i) the historical transaction amounts of engineering construction (income) transactions for the three years ending 31 December 2026; (ii) the existing and previous annual caps together with the relevant utilisation rates; and (iii) the proposed annual cap for the year ending 31 December 2027:

	For the year ended 31 December 2024 RMB'000	For the year ended 31 December 2025 RMB'000	For the year ending 31 December 2026 RMB'000
Historical transaction amounts	6,908,389	3,758,319	1,199,460 ^(Note)
Existing/previous annual caps	14,290,870	11,800,000	9,341,000
Utilisation rate (%)	48.34	31.85	12.84
			For the year ending 31 December 2027 RMB'000
Proposed annual cap			7,882,000

Note: the figure is for 4M2026.

As depicted in the above table, the historical transaction amounts for engineering construction (income) transactions were approximately RMB6,908 million and RMB3,758 million for FY2024 and FY2025 respectively, representing utilization rates of approximately 48.34% and 31.85% respectively. Furthermore, the historical transaction amount for engineering construction (income) transactions was approximately RMB1,199 million for 4M2026, representing approximately 12.84% of the existing annual cap for FY2026. The proposed annual cap for engineering construction (income) transactions for FY2027 was downward adjusted by approximately 15.62% to RMB7,882 million as compared to that for FY2026.

With reference to the Board Letter, the suppliers of the transaction between the Group and China Minmetals Group (i.e. the provision of engineering construction services by the Group as contractor) will be selected through the open tender method. The Company is unable to predict whether the Group will win the bid for any particular project. Therefore, in estimating the annual cap for FY2027, the Company made reference to (i) the existing and estimated bidding projects of China Minmetals Group assuming that the Group would win the bid in all bidding projects of China Minmetals Group in which the Group intends to participate, and taken into consideration the estimated amount of the bidding projects as the basis for determining the annual cap; and (ii) the investment plan formulated by China Minmetals Group and the estimated building cost of such engineering projects for which the Group intends to participate in the bidding process, and such building cost has been estimated with reference to the investment amount of similar projects within the same region.

Based on the information provided by the Company, the Group had participated in 93, 116 and 77 tenders of China Minmetals Group in respect of engineering construction (income) transactions and was awarded with 42, 54 and 26 projects for FY2024, FY2025 and 4M2026, respectively, representing the tender success rate of approximately 45.16%, 46.55% and 33.77% for FY2024, FY2025 and 4M2026, respectively.

To assess the fairness and reasonableness of the proposed annual cap for engineering construction (income) transactions, we obtained a detailed calculation of the same (the “**Engineering Annual Cap Calculation**”). We understood from the Directors that the calculation includes estimated transactions of subsidiaries of the Company and were formulated and approved by the relevant operating subsidiaries before submitting to the Company for consolidation and review and they were formulated based on (i) the estimated engineering construction projects which the Group won the bid already or intends to participate in bidding during both FY2025 and FY2026; (ii) the subsidiaries’ understanding on the strategic development plan of China Minmetals Group; and (iii) the estimated building cost of such engineering projects. We noted from the Engineering Annual Cap Calculation that the proposed annual cap for engineering construction (income) transactions was formulated based on the estimated transaction amounts and a buffer of approximately 10%.

With reference to the Board Letter, the estimated transaction amounts of engineering construction (income) transactions for FY2027 of approximately RMB7,165.03 million were formulated based on the following information as at 31 December 2025:

- (i) the value of completed contract expected to be settled in 2027 of approximately RMB305.50 million;
- (ii) the estimated amount of business to be completed in the year of 2027 under current contracts of approximately RMB1,907.02 million;
- (iii) the value of signed contracts of approximately RMB1,922.51 million (together with (i) and (ii) above, the “**Committed Value**”);
- (iv) the value of contracts under negotiation of approximately RMB2,120.00 million; and
- (v) the estimated amount of business for FY2027 of approximately RMB910.00 million.

We noted from the Engineering Annual Cap Calculation that the estimated transaction amounts were based on the consideration under various agreements and projects involvement of the Company’s subsidiaries. The various types of projects include engineering supervision, engineering design, contracting, provision of technical services, exploration and design etc. We also understood that the estimated income of the engineering construction services would depend on the potential demand of China Minmetals Group (i.e. the demand on contractors for its engineering construction projects) and the outcome of the tender process on the selection of contractors. It would be difficult for the Group to accurately measure the potential amount of the transaction.

As aforementioned, the estimated transactions amounts for projects, which the Group was awarded the tender or the Group had entered into relevant contracts, amounted to approximately RMB4,135.03 million in aggregate (i.e. the Committed Value), representing approximately 58% of the total estimated transactions amounts for FY2027.

For our due diligence purpose, we randomly selected and reviewed the transaction documents of five projects that are expected to generate engineering construction income for FY2027 (the “**Sampled Projects**”). Despite that we only selected five projects, we consider the Sampled Projects are sufficient for us to form our view on the basis that:

- (i) the Sampled Projects accounted for (a) approximately 32% of the estimated transaction amounts in relation to the engineering construction (income) transactions for FY2027; and (b) approximately 56% of the Committed Value;

- (ii) as aforementioned, the estimated transaction amounts were estimated by the Company's relevant subsidiaries taking into account, among other things, the estimated engineering construction projects and the estimated building cost of such engineering projects; and
- (iii) we understood from the Directors that the bases for estimating such transaction amounts by other subsidiaries of the Company are the same as those for the Sampled Projects.

We noted from the transaction documents of the Sampled Projects that the relevant Committed Value for FY2027 were either less than or the same as the contract value shown in the signed agreements. As advised by the Directors, the time schedule of the project was also considered as some of the projects will not be completed within one year. As such, we consider the estimated transaction amounts for Sampled Projects are reasonable.

Based on our review of the Sampled Projects, we do not doubt the estimated transaction amounts for FY2027 as estimated by the Company's subsidiaries.

Having considered that (i) the estimated income of the engineering construction services would depend on the potential demand of China Minmetals Group (i.e. the demand on contractors for its engineering construction projects) and the outcome of the tender process on the selection of contractors; (ii) the estimated transaction amounts of the Company's subsidiaries were determined based on their understanding on the strategic development plan of China Minmetals Group and the estimated building cost of such projects; (iii) the estimated income of the engineering construction services was calculated by the estimated amounts of a series of potential engineering construction projects or engineering construction projects which the Company's subsidiaries would be involved on the assumption that all of the bidding projects will be won by the Group, representing the highest possible transaction amounts between the Group and the China Minmetals Group in respect of the engineering construction (income) transactions; and (iv) our due diligence performed on the Sampled Projects, we are of the view that the estimated transaction amount in relation to the engineering construction (income) transactions for FY2027 is justifiable.

As mentioned above, the Company applied a buffer of 10% to the estimated transaction amounts for FY2027 to cater for any unforeseeable circumstances such as the unexpected increase in demand of products and the unexpected increase in price of the products. We consider the incorporation of buffer of 10% in the annual caps is not uncommon among listed companies in Hong Kong and is in line with market practice based on our findings above and therefore it is justifiable.

Although the Group's tender success rate for projects in relation to engineering construction (income) transactions was not high, given that (i) the estimated transaction amount in relation to the engineering construction (income) transactions for FY2027 is justifiable; (ii) the buffer of 10% is justifiable; and (iii) the estimated transaction amount was formulated on the basis that the existing and estimated bidding projects of China Minmetals Group that the Group intends to participate would be won by the Group, which coincide with purpose of the annual cap to cater for the possible business needs of the Group, we consider that the proposed annual cap for FY2027 is fair and reasonable.

Shareholders should note that as the proposed annual cap is relating to future events and was estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2027, and they do not represent forecasts of revenue to be recognised from the engineering construction (income) transactions. Consequently, we express no opinion as to how closely the actual transaction amount to be incurred from the engineering construction (income) transactions will correspond with the proposed annual cap.

In light of the above, we consider that the terms of engineering construction (income) transactions are on normal commercial terms and are fair and reasonable.

Listing Rules implication

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the values of sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions must be restricted by the relevant annual caps; (ii) the terms of the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions must be reviewed by the independent non-executive Directors annually; (iii) details of independent non-executive Directors' annual review on the terms of the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions must be included in the Company's subsequent published annual report.

Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions: (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the annual caps.

In the event that the total amounts of the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions are anticipated to exceed their respective annual caps, or that there is any proposed material amendment to the terms of the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the sale and purchase of materials (expenditure) transactions and engineering construction (income) transactions and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Transactions (including the proposed annual caps) are on normal commercial terms and are fair and reasonable; and (ii) the Transactions are in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the AGM to approve the Transactions and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

* *for identification purposes only*

**PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
OF METALLURGICAL CORPORATION OF CHINA LTD.
FOR THE YEAR 2025
(Liu Li)**

Dear Shareholders and Shareholders' representatives,

In 2025, as the Independent Directors of the third session of the Board of Metallurgical Corporation of China Ltd. ("MCC" or the "Company"), I exercised my power and function independently, fairly and responsibly in strict compliance with the relevant laws and regulations such as the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", the "Administrative Measures for Independent Directors of Listed Companies" (《上市公司獨立董事管理辦法》), as well as the rules and regulations including the "Articles of Association of MCC", and the "Rules for the Work of Independent Directors of MCC" (《中國中冶獨立董事工作制度》) and with a diligent and conscientious working attitude, effectively protected the interests of the Company as a whole and safeguarded the legitimate interests of all Shareholders, in particular, the minority Shareholders. Major work performed by myself during for the year 2025 is reported as follows:

I. BASIC INFORMATION ABOUT INDEPENDENT DIRECTORS

(I) Personal Work Experience, Professional Background and Concurrent Positions

I, Liu Li, currently serve as an Independent non-executive director of MCC, a member of the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee of the Board of MCC, and also act as the convener of the Remuneration and Appraisal Committee.

I am currently a Professor at Guanghua School of Management, Peking University, an independent director of China Galaxy Securities Co., Ltd., and an external supervisor of China Cinda Asset Management Co., Ltd. (serving until December 2025).

My biographical details are as follows: From September 1984 to December 1985, I worked as a lecturer at Beijing Institute of Iron and Steel Technology; starting from January 1986, I have been engaged in teaching at the Guanghua School of Management, Peking University and its predecessor, the Department of Economic Management of the School of Economics. I previously served as an independent non-executive director of listed companies including Bank of Communications Co., Ltd., CNPC Capital Company Limited and China International Capital Corporation Limited. I also served as an external director of China Metallurgical Group Corporation from December 2006 to September 2008, and as an independent non-executive director of MCC from November 2008 to November 2014.

(II) Independence

I have conducted a self-review of my independence status, as detailed below:

1. I, as well as my spouse, parents, children and close relatives, do not hold any position in the Company or its affiliated entities;
2. I do not directly or indirectly hold more than 1% of the issued Shares of the Company, nor am I a member of the Company's top ten Shareholders, nor a spouse, parent or child of any of the top ten Shareholders;
3. Neither I nor my spouse, parents or children hold any position in entities that directly or indirectly hold more than 5% of the Company's issued Shares, nor in the Company's top five Shareholder entities;
4. Neither I nor my spouse, parents or children hold any position in the Company's controlling shareholder, actual controller or their respective subsidiaries;
5. I am not a person providing financial, legal, consulting, sponsorship or other services to the Company, its controlling shareholder, de facto controller, or their respective subsidiaries;
6. I am not a person with significant business dealings with the Company, its controlling shareholder, actual controller or their respective affiliated entities, nor a person holding a position in any entity having significant business dealings with the aforesaid parties or their respective controlling shareholders and de facto controllers;
7. There are no circumstances as set forth in the preceding six items within the last twelve months. I have not received any additional undisclosed benefits from the Company, its major Shareholders, or any related parties and entities with conflicting interests.

Therefore, I possess independent status and comply with the requirements for independence of independent directors stipulated in the "Administrative Measures for Independent Directors of Listed Companies" and other relevant laws and regulations, as well as the independence criteria for independent non-executive directors set forth in the "Stock Exchange Listing Rules" and the requirements of Hong Kong Stock Exchange.

II. OVERVIEW OF THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR**(I) On-site Engagement at the Listed Company**

In 2025, I fulfilled my duties diligently and conscientiously through various means, including attending meetings of the board of directors and its special committees, conducting on-site inspections and investigations of key subsidiaries and major projects, maintaining regular communication with the audit institution, and reviewing relevant documents concerning the Company's operations. The total duration of my on-site work at the Company throughout the year exceeded fifteen days. Meanwhile, I utilized my own knowledge and background in the course of performance of routine duties to provide constructive opinions to the development and standardized operation of the Company and actively and effectively performed the duties of the independent director, which in turn has made positive contributions to the scientific decision-making of the Board.

(II) Attendance at Board Meetings

In 2025, the Company convened 14 Board meetings in total, including 7 meetings held by way of on-site meeting (including a combination of on-site and communication conference) and 7 meetings held through communication conference. The Board considered proposals and heard reports with a total of 84 resolutions and passed 77 resolutions.

I personally attended all 14 Board meetings. Prior to the meetings, I carefully considered the relevant documents, raised concerns and issues in a timely manner and communicated with the management or relevant departments of the Company to make a deep understanding of situations and to obtain information. At the meetings, I earnestly considered each issue, actively participated in discussions, provided recommendations and opinions, and expressed independent views on all decisions made by the Board. In 2025, I exercised independent voting rights on 77 issues, ensuring independence in the decision-making process of the Board of the Company. The voting record for the current year is as follows: 77 approvals, 0 objections and 0 abstentions.

(III) Attendance at Shareholders' Meetings and Communication with Minority Shareholders

On December 29, 2025, the Company held the First Extraordinary General Meeting of 2025, at which four resolutions including the "Proposal on Asset Disposal and Related Transaction" were approved. I attended the meeting in person and engaged in communication with minority Shareholders.

(IV) Participation in Special Committees of the Board

In 2025, the special committees of the Board of MCC held a total of 23 meetings and discussed 37 issues. Among which, the Audit Committee held 9 meetings, at which 19 issues were studied and discussed; the Remuneration and Appraisal Committee held 3 meetings, at which 3 issues were studied and discussed; the Sustainability Committee held 2 meetings, at which 5 issues were studied and discussed; the Nomination Committee held 2 meetings, at which 3 issues were studied and discussed; the Strategy Committee held 2 meetings, at which 2 issues were studied and discussed; and 5 special meetings of independent directors were held with 5 issues studied and discussed.

As a member of the Audit Committee, Nomination Committee and Remuneration and Appraisal Committee, I attended a total of 19 special committee meetings (including special meetings of independent directors) in 2025. In the course of attendance at meetings and performance of duties, I leveraged on my professional knowledge, management experience and qualification and adhered to the professional ethics of diligence to provide professional opinions and constructive advice on the appointment of auditors, auditing of the Company's annual financial statements, key financial indicators and financial statements of the Company, implementation of internal control system and performance appraisal of senior management and emolument distribution, thereby providing reference for the decision-making of the Board and ensuring that the decision-making of the Board is objective, fair and scientific.

(V) Fulfillment of Duties as an Independent Director**1. *Earnestly consider significant matters and prudently issue opinions***

In 2025, I have carefully reviewed all matters submitted for the Board's decision. Through the special meetings of independent directors, I examined and reviewed proposals relating to related transactions, including the annual limits for routine and continuing related transactions and the engagement of independent financial advisors to conduct reviews on related transaction matters.

I am of the opinion that the decision-making and voting procedures for the aforementioned matters comply with the provisions of the Articles of Association and are fully legitimate and compliant, with no circumstances that would prejudice the interests of the Company or its Shareholders.

2. *Actively conduct on-site investigation to deeply grasp the operation*

In 2025, in my capacity as an independent director of the Company, I conducted two director research activities focusing on the themes of “Focusing on Development and Advancing Key Initiatives” and “Establishing Institutional Mechanisms for Scientific and Technological Innovation”. I successively visited subsidiaries including WSGRI Engineering & Surveying Incorporation Limited, WISDRI Engineering & Research Incorporation Limited, China First Metallurgical Group Co., Ltd., MCC Capital Engineering & Research Incorporation Limited and Central Research Institute of Building and Construction Co., Ltd., and conducted on-site inspections of key projects of the Company located in Wuhan and Beijing.

During the investigation, I conducted a detailed review of the operational status, market development, and implementation of Board decisions of the surveyed subsidiaries, and obtained first-hand information regarding the Company’s operations, reform and development. Such insights provide solid support for future decision-making at Board meetings. In addition, taking into account national policy requirements, industry development trends and the Company’s current development situation, I put forward opinions and suggestions for the surveyed entities, and offered recommendations to promote their high-quality development.

(VI) Communication with the Audit Institution on the Financial and Operational Conditions of the Company

In respect of key matters concerned by regulatory authorities and the market, I put forward reasonable proposals for the contents required to be substantially disclosed for the consideration at the Board meeting. When preparing the annual report, I followed up the annual audit and the preparation of annual report, communicated with the management of the Company in a timely manner with respect to the audit opinions and the important matters during the audit process, and ensured various effective communications with auditors before and after the preparation, and expressed professional opinions in accordance with relevant requirements of the “Work Procedures related to Annual Report of Independent Directors”.

(VII) Cooperation of the Listed Company with Independent Directors

In 2025, the Board of the Company proactively expanded the communication channels and promoted the optimization of an information-sharing system to ensure that independent directors were able to keep abreast of true and reliable information in a timely, comprehensively and complete manner, thus safeguarding the effective performance of the duties by independent directors.

In the course of operation of the Board, the Company has required its departments and subsidiaries to create a favorable environment and conditions for Independent Directors to perform their duties, and to regularly submit the information in relation to the production and operation of the Company to each independent director. The advice and opinions on the production and operation, and reform and development of the Company made by independent directors are fully respected, carefully listened to, humbly accepted and actively implemented, so as to promote the sound development of businesses of the Company.

The Company attached great importance to the role of special committees of the Board in supporting decision-making. Prior to the consideration of major matters including strategic management and control, major investment and financing, financial budgeting and final accounts, audit and internal control, and management performance assessment and remuneration, the special committees of the Board conducted thorough reviews in advance and formulated dedicated review opinions. The conveners of each special committee gave relevant views at Board meetings, thereby giving prominence to professional discussion and consultation function of the special committees and improving the scientific decision-making of the Board.

III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR

In 2025, I fulfilled my duties diligently and conscientiously, and faithfully discharged my obligations as an independent director. In addition to attending meetings punctually and maintaining comprehensive and timely understanding of the business development of the Company, I focused on monitoring potential material conflicts of interest between the listed company and its controlling shareholders, actual controllers, directors and senior management. I conducted targeted investigations and research on matters including the Company's operational activities, financial management, internal control system development, utilization of raised funds, related transactions and daily operations, and received special reports from relevant personnel. I obtained necessary information and materials for decision-making and highlighted potential risks accordingly. Specific details are as follows:

(I) Related Transactions Subject to Disclosure

During the Reporting Period, I have conducted prior inspection of all matters involving connected transactions of the Company, and issued their independent opinion. I was of the view that decision-making of connected transactions and voting procedures were in compliance with the requirements of laws and regulations as well as the Articles of Association. The parties to the transactions followed the law of the market, entered into the agreement based on the principles of voluntariness, equality and mutual benefit, and shall

be entitled to rights and perform duties as agreed. No such connected transactions would harm the interests of the Company and non-connected Shareholders, especially minority Shareholders, nor would they establish the reliance of the Company's business on related parties.

(II) Plans for Changes to or Waivers of Commitments by the Listed Company and Relevant Parties

I have paid close attention to the commitments made by the China Minmetals Corporation (controlling shareholder of the Company) CMGC (shareholder of the Company), including those relating to avoidance of competition, reduction of business overlap, bond issuance and raised funds. During the Reporting Period, the above-mentioned commitment to solve and avoid horizontal competition has been strictly fulfilled; the use of all raised funds of corporate bonds is consistent with the purpose, use plan and other agreements promised in the prospectus; the operation of raised fund accounts is standardized, and all withdrawals and uses of funds have gone through the Company's internal approval procedures.

(III) Decisions and Measures Adopted by the Board of the Acquired Listed Company in Relation to the Acquisition

No relevant matters arose during the current year.

(IV) Disclosure of Financial Information in Financial Statements and Periodic Reports, and Internal Control Evaluation Reports

The Company has maintained effective internal control over financial statements in all material aspects in compliance with the enterprise internal control framework and relevant provisions. The existing internal control system of the Company is consistent with its operational reality, with sound institutional arrangements and effective operation. The Company has disclosed financial information included in the financial statements and periodic reports, as well as internal control evaluation reports in accordance with relevant requirements. All decision-making and disclosure procedures pertaining to such matters are compliant with applicable laws and regulations.

(V) Appointment and Dismissal of Accounting Firms Engaged for Audit Services of the Listed Company

As a member of the Audit Committee of the Board, I participated in the selection of the Company's financial audit institution and internal control audit institution. I reviewed the professional qualifications, investor protection capabilities, integrity records and independence of Deloitte CPA. I am of the opinion that the Deloitte CPA possesses valid qualifications for securities-related services, extensive experience in auditing listed companies and sound professional ethics. It maintains satisfactory independence and integrity, and is fully capable of meeting the Company's audit requirements. The appointment procedure complies with relevant laws, regulations and the provisions of the "Articles of Association", and does not impair the interests of the Company and its Shareholders. Therefore, I approved the appointment of Deloitte CPA as the Company's principal auditor for financial statements and internal control auditor for 2025.

(VI) Appointment and Dismissal of the Financial Officer of the Listed Company

As a member of the Audit Committee and Nomination Committee of the Board of the Company, I have reviewed the qualifications of the proposed candidate for chief accountant (chief financial officer) of the Company. I am of the view that the candidate meets the relevant requirements stipulated by applicable laws, regulations, normative documents and the "Articles of Association". The nomination and voting procedures are legitimate and compliant, and there are no circumstances that would compromise the legitimate interests of the Company's Shareholders, particularly those of minority Shareholders. Therefore, I approved the appointment of Mr. Dong Su as vice president and chief accountant (chief financial officer) of the Company.

(VII) Changes in Accounting Policies, Accounting Estimates or Correction to Material Accounting Errors for Reasons Other Than Amendments to Accounting Standards

No relevant matters arose during the current year.

(VIII) Nomination, Appointment and Dismissal of Directors and Members of Senior Management

As a member of the Nomination Committee of the Board of the Company, I have reviewed the qualifications of the proposed candidates for vice president and secretary of the Board. I am of the opinion that their qualifications for office comply with relevant laws, regulations, normative documents and the provisions of the "Articles of Association". The nomination and voting procedures are legitimate and compliant, and there are no circumstances

that would impair the legitimate interests of Shareholders, especially those of minority Shareholders. Therefore, I approved the appointment of Mr. Xiao Peng as vice president of MCC, and the appointment of Mr. Chang Qi as secretary of the Board, joint company secretary and authorised representative of the Company.

(IX) Remuneration of Directors and Members of Senior Management

As the convenor of the Remuneration and Appraisal Committee of the Board, I have reviewed the remuneration of directors and senior management in accordance with relevant regulatory requirements. I am of the view that the remuneration of directors and members of senior management for the 2025 financial year has been determined and paid in strict compliance with relevant regulatory provisions and the Company's Board regulations. The disclosed remuneration data are prepared in accordance with the annual report requirements for H Shares and are true and accurate.

IV. OVERALL EVALUATION AND RECOMMENDATION

As an independent director of the Company, I diligently, independently and prudently performed our duties based on the principle of safeguarding the interests of the Company and minority Shareholders. In 2026, I will continue to study thoroughly the production and operation matters of the Company and continue to perform our duties in a prudent, earnest, diligent and honest manner in accordance with the provisions and requirements of independent directors under relevant laws and regulations. Leveraging on our professional knowledge and intensive experience, we will provide opinions for reference by the Board in its decision-making and provide appropriate recommendations on the development of the Company; it is also our hope to facilitate solid operation and standardized running of the Company through concerted efforts, so as to continuously enhance the quality of the Company's operation, and to safeguard the legitimate interests of the Company and Shareholders.

Report is hereby given.

Independent non-executive Director:

Liu Li

5 June 2026

**PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS OF
METALLURGICAL CORPORATION OF CHINA LTD.
FOR THE YEAR 2025
(Ng, Kar Ling Johnny)**

Dear Shareholders and Shareholders' representatives,

In 2025, as the Independent Directors of the third session of the Board of Metallurgical Corporation of China Ltd. ("MCC" or the "Company"), I exercised my power and function independently, fairly and responsibly in strict compliance with the relevant laws and regulations such as the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", the "Administrative Measures for Independent Directors of Listed Companies" (《上市公司管理辦法》), as well as the rules and regulations including the "Articles of Association of MCC", and the "Rules for the Work of Independent Directors of MCC" (《中國中冶獨立董事工作制度》) and with a diligent and conscientious working attitude, effectively protected the interests of the Company as a whole and safeguarded the legitimate interests of all Shareholders, in particular, the minority Shareholders. Major work performed by myself during for the year 2025 is reported as follows:

I. BASIC INFORMATION ABOUT INDEPENDENT DIRECTORS

(I) Personal Work Experience, Professional Background and Concurrent Positions

I, Ng, Kar Ling Johnny, currently serve as an independent non-executive director of MCC, a member of the Audit Committee and Sustainability Committee of the Board, and the convenor of the Audit Committee.

I currently also serve as an independent non-executive director of China Telecom Corporation Limited, and as vice chairman of the Third Independent Director Professional Committee of the China Association for Public Companies.

My biographical details are as follows: I joined KPMG Hong Kong in 1984, became a Partner in 1996, and subsequently acted as the Vice Chairman of KPMG China. I am currently a Certified Public Accountant (Hong Kong), Registered Auditor and Certified Accountant (Macau), Fellow Member of the Hong Kong Institute of Certified Public Accountants (FCPA), Fellow Member of the Association of Chartered Certified Accountants (FCCA), and Fellow Member of the Institute of Chartered Accountants in England and Wales (FCA).

(II) Independence

I have conducted a self-review of my independence status, as detailed below:

1. I, as well as my spouse, parents, children and close relatives, do not hold any position in the Company or its affiliated entities;
2. I do not directly or indirectly hold more than 1% of the issued shares of the Company, nor am I a member of the Company's top ten shareholders, nor a spouse, parent or child of any of the top ten shareholders;
3. Neither I nor my spouse, parents or children hold any position in entities that directly or indirectly hold more than 5% of the Company's issued shares, nor in the Company's top five shareholder entities;
4. Neither I nor my spouse, parents or children hold any position in the Company's controlling shareholder, actual controller or their respective subsidiaries;
5. I am not a person providing financial, legal, consulting, sponsorship or other services to the Company, its controlling shareholder, de facto controller, or their respective subsidiaries;
6. I am not a person with significant business dealings with the Company, its controlling shareholder, actual controller or their respective affiliated entities, nor a person holding a position in any entity having significant business dealings with the aforesaid parties or their respective controlling shareholders and de facto controllers;
7. There are no circumstances as set forth in the preceding six items within the last twelve months. I have not received any additional undisclosed benefits from the Company, its major shareholders, or any related parties and entities with conflicting interests.

Therefore, I possess independent status and comply with the requirements for independence of independent directors stipulated in the "Administrative Measures for Independent Directors of Listed Companies" and other relevant laws and regulations, as well as the independence criteria for independent non-executive directors set forth in the "Stock Exchange Listing Rules" and the requirements of The Stock Exchange of Hong Kong Limited.

II. OVERVIEW OF THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR**(i) On-site Engagement at the Listed Company**

In 2025, I fulfilled my duties diligently and conscientiously through various means, including attending meetings of the board of directors and its special committees, conducting on-site inspections and investigations of key subsidiaries and major projects, maintaining regular communication with the audit institution, and reviewing relevant documents concerning the Company's operations. The total duration of my on-site work at the Company throughout the year exceeded fifteen days. Meanwhile, I utilized my own knowledge and background in the course of performance of routine duties to provide constructive opinions to the development and standardized operation of the Company and actively and effectively performed the duties of the independent director, which in turn has made positive contributions to the scientific decision-making of the Board.

(II) Attendance at Board Meetings

In 2025, the Company convened 14 Board meetings in total, including 7 meetings held by way of on-site meeting (including a combination of on-site and communication conference) and 7 meetings held through communication conference. The Board considered proposals and heard reports with a total of 84 resolutions and passed 77 resolutions.

I personally attended all 14 Board meetings. Prior to the meetings, I carefully considered the relevant documents, raised concerns and issues in a timely manner and communicated with the management or relevant departments of the Company to make a deep understanding of situations and to obtain information. At the meetings, I earnestly considered each issue, actively participated in discussions, provided recommendations and opinions, and expressed independent views on all decisions made by the Board. In 2025, I exercised independent voting rights on 77 issues, ensuring independence in the decision-making process of the Board of the Company. The voting record for the current year is as follows: 77 approvals, 0 objections and 0 abstentions.

(III) Participation in Special Committees of the Board

In 2025, the special committees of the Board of MCC held a total of 23 meetings and discussed 37 issues. Among which, the Audit Committee held 9 meetings, at which 19 issues were studied and discussed; the Remuneration and Appraisal Committee held 3 meetings, at which 3 issues were studied and discussed; the Sustainability Committee held 2 meetings, at which 5 issues were studied and discussed; the Nomination Committee held 2 meetings, at which 3 issues were studied and discussed; the Strategy Committee held 2 meetings, at which 2 issues were studied and discussed; and 5 special meetings of independent directors were held with 5 issues studied and discussed.

As a member of the Audit Committee and Sustainability Committee, I attended a total of 16 special committee meetings (including special meetings of independent directors) in 2025. In the course of attendance at meetings and performance of duties, I leveraged on my professional knowledge, management experience and qualification and adhered to the professional ethics of diligence to provide professional opinions and constructive advice on the appointment of auditors, auditing of the Company's annual financial statements, key financial indicators and financial statements of the Company, implementation of internal control system and performance appraisal of senior management and emolument distribution, thereby providing reference for the decision-making of the Board and ensuring that the decision-making of the Board is objective, fair and scientific.

(IV) Fulfillment of Duties as an Independent Director**1. *Earnestly consider significant matters and prudently issue opinions***

In 2025, I have carefully reviewed all matters submitted for the Board's decision. Through the special meetings of independent directors, I examined and reviewed proposals relating to related transactions, including the annual limits for routine and continuing related transactions and the engagement of independent financial advisors to conduct reviews on related transaction matters.

I am of the opinion that the decision-making and voting procedures for the aforementioned matters comply with the provisions of the Articles of Association and are fully legitimate and compliant, with no circumstances that would prejudice the interests of the Company or its shareholders.

2. *Actively conduct on-site investigation to deeply grasp the operation*

In 2025, in my capacity as an independent director of the Company, I conducted a research activity focusing on the theme of “Establishing Institutional Mechanisms for Scientific and Technological Innovation”. I successively visited subsidiaries including CERI and CRIBC, and conducted on-site inspections of key projects of the Company located in Beijing.

During the investigation, I conducted a detailed review of the operational status, market development, and implementation of Board decisions of the surveyed subsidiaries, and obtained first-hand information regarding the Company’s operations, reform and development. Such insights provide solid support for future decision-making at Board meetings. In addition, taking into account national policy requirements, industry development trends and the Company’s current development situation, I put forward opinions and suggestions for the surveyed entities, and offered recommendations to promote their high-quality development.

(V) Communication with the Audit Institution on the Financial and Operational Conditions of the Company

In respect of key matters concerned by regulatory authorities and the market, I put forward reasonable proposals for the contents required to be substantially disclosed for the consideration at the Board meeting. When preparing the annual report, I followed up the annual audit and the preparation of annual report, communicated with the management of the Company in a timely manner with respect to the audit opinions and the important matters during the audit process, and ensured various effective communications with auditors before and after the preparation, and expressed professional opinions in accordance with relevant requirements of the “Work Procedures related to Annual Report of Independent Directors”.

(VI) Cooperation of the Listed Company with Independent Directors

In 2025, the Board of the Company proactively expanded the communication channels and promoted the optimization of an information-sharing system to ensure that independent directors were able to keep abreast of true and reliable information in a timely, comprehensively and complete manner, thus safeguarding the effective performance of the duties by independent directors.

In the course of operation of the Board, the Company has required its departments and subsidiaries to create a favorable environment and conditions for Independent Directors to perform their duties, and to regularly submit the information in relation to the production and operation of the Company to each independent director. The advice and opinions on the production and operation, and reform and development of the Company made by independent directors are fully respected, carefully listened to, humbly accepted and actively implemented, so as to promote the sound development of businesses of the Company.

The Company attached great importance to the role of special committees of the Board in supporting decision-making. Prior to the consideration of major matters including strategic management and control, major investment and financing, financial budgeting and final accounts, audit and internal control, and management performance assessment and remuneration, the special committees of the Board conducted thorough reviews in advance and formulate dedicated review opinions. The conveners of each special committee gave relevant views at Board meetings, thereby giving prominence to professional discussion and consultation function of the special committees and improving the scientific decision-making of the Board.

III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR

In 2025, I fulfilled my duties diligently and conscientiously, and faithfully discharged my obligations as an independent director. In addition to attending meetings punctually and maintaining comprehensive and timely understanding of the business development of the Company, I focused on monitoring potential material conflicts of interest between the listed company and its controlling shareholders, actual controllers, directors and senior management. I conducted targeted investigations and research on matters including the Company's operational activities, financial management, internal control system development, utilization of raised funds, related transactions and daily operations, and received special reports from relevant personnel. I obtained necessary information and materials for decision-making and highlighted potential risks accordingly. Specific details are as follows:

(I) Related Transactions Subject to Disclosure

During the reporting period, I have conducted prior inspection of all matters involving connected transactions of the Company, and issued their independent opinion. I was of the view that decision-making of connected transactions and voting procedures were in compliance with the requirements of laws and regulations as well as the Articles of Association. The parties to the transactions followed the law of the market, entered into the agreement based on the principles of voluntariness, equality and mutual benefit, and shall

be entitled to rights and perform duties as agreed. No such connected transactions would harm the interests of the Company and non-connected Shareholders, especially minority shareholders, nor would they establish the reliance of the Company's business on related parties.

(II) Plans for Changes to or Waivers of Commitments by the Listed Company and Relevant Parties

I have paid close attention to the commitments made by the China Minmetals Corporation (controlling shareholder of the Company) CMGC (shareholder of the Company), including those relating to avoidance of competition, reduction of business overlap, bond issuance and raised funds. During the Reporting Period, the above-mentioned commitment to solve and avoid horizontal competition has been strictly fulfilled; the use of all raised funds of corporate bonds is consistent with the purpose, use plan and other agreements promised in the prospectus; the operation of raised fund accounts is standardized, and all withdrawals and uses of funds have gone through the Company's internal approval procedures.

(III) Decisions and Measures Adopted by the Board of the Acquired Listed Company in Relation to the Acquisition

No relevant matters arose during the current year.

(IV) Disclosure of Financial Information in Financial Statements and Periodic Reports, and Internal Control Evaluation Reports

The Company has maintained effective internal control over financial statements in all material aspects in compliance with the enterprise internal control framework and relevant provisions. The existing internal control system of the Company is consistent with its operational reality, with sound institutional arrangements and effective operation. The Company has disclosed financial information included in the financial statements and periodic reports, as well as internal control evaluation reports in accordance with relevant requirements. All decision-making and disclosure procedures pertaining to such matters are compliant with applicable laws and regulations.

(V) Appointment and Dismissal of Accounting Firms Engaged for Audit Services of the Listed Company

As the convenor of the Audit Committee, I participated in the selection of the Company's financial audit institution and internal control audit institution. I reviewed the professional qualifications, investor protection capabilities, integrity records and independence of Deloitte CPA. I am of the opinion that the Deloitte CPA possesses valid qualifications for securities-related services, extensive experience in auditing listed companies and sound professional ethics. It maintains satisfactory independence and integrity, and is fully capable of meeting the Company's audit requirements. The appointment procedure complies with relevant laws, regulations and the provisions of the "Articles of Association", and does not impair the interests of the Company and its shareholders. Therefore, I approved the appointment of Deloitte CPA as the Company's principal auditor for financial statements and internal control auditor for 2025.

(VI) Appointment and Dismissal of the Financial Officer of the Listed Company

As the convenor of the Audit Committee, I have reviewed the qualifications of the proposed candidate for chief accountant (chief financial officer) of the Company. I am of the opinion that the candidate meets the relevant requirements stipulated by applicable laws, regulations, normative documents and the "Articles of Association". The nomination and voting procedures are legitimate and compliant, and there are no circumstances that would compromise the legitimate interests of the Company's shareholders, particularly those of minority shareholders. Therefore, I approved the appointment of Mr. Dong Su as vice president and chief accountant (chief financial officer) of the Company.

(VII) Changes in Accounting Policies, Accounting Estimates or Correction to Material Accounting Errors for Reasons Other Than Amendments to Accounting Standards

No relevant matters arose during the current year.

(VIII) Nomination, Appointment and Dismissal of Directors and Members of Senior Management

In accordance with relevant regulatory provisions, I have reviewed the qualifications of the proposed candidates for vice president and secretary of the Board. I am of the opinion that their qualifications for office comply with relevant laws, regulations, normative documents and the provisions of the "Articles of Association". The nomination and voting procedures are legitimate and compliant, and there are no circumstances that would impair the legitimate interests of shareholders, especially those of minority shareholders. Therefore, I approved the

appointment of Mr. Xiao Peng as vice president of MCC, and the appointment of Mr. Chang Qi as secretary of the Board, joint company secretary and authorised representative of the Company.

(IX) Remuneration of Directors and Members of Senior Management

I have reviewed the remuneration of directors and senior management in accordance with relevant regulatory requirements. I am of the opinion that the remuneration of directors and members of senior management for the 2025 financial year has been determined and paid in strict compliance with relevant regulatory provisions and the Company's Board regulations. The disclosed remuneration data are prepared in accordance with the annual report requirements for H Shares and are true and accurate.

IV. OVERALL EVALUATION AND RECOMMENDATION

As an independent director of the Company, I diligently, independently and prudently performed our duties based on the principle of safeguarding the interests of the Company and minority shareholders. In 2026, I will continue to study thoroughly the production and operation matters of the Company and continue to perform our duties in a prudent, earnest, diligent and honest manner in accordance with the provisions and requirements of independent directors under relevant laws and regulations. Leveraging on our professional knowledge and intensive experience, we will provide opinions for reference by the Board in its decision-making and provide appropriate recommendations on the development of the Company; it is also our hope to facilitate solid operation and standardized running of the Company through concerted efforts, so as to continuously enhance the quality of the Company's operation, and to safeguard the legitimate interests of the Company and shareholders.

Report is hereby given.

Independent non-executive Director:

Ng, Kar Ling Johnny

5 June 2026

**PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS OF
METALLURGICAL CORPORATION OF CHINA LTD.
FOR THE YEAR 2025
(Zhou Guoping)**

Dear Shareholders and Shareholders' representatives,

In 2025, as the Independent Directors of the third session of the Board of Metallurgical Corporation of China Ltd. ("MCC" or the "Company"), I exercised my power and function independently, fairly and responsibly in strict compliance with the relevant laws and regulations such as the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", the "Administrative Measures for Independent Directors of Listed Companies" (《上市公司管理辦法》), as well as the rules and regulations including the "Articles of Association of MCC", and the "Rules for the Work of Independent Directors of MCC" (《中國中冶獨立董事工作制度》) and with a diligent and conscientious working attitude, effectively protected the interests of the Company as a whole and safeguarded the legitimate interests of all Shareholders, in particular, the minority Shareholders. Major work performed by myself during for the year 2025 is reported as follows:

I. BASIC INFORMATION ABOUT INDEPENDENT DIRECTORS

(I) Personal Work Experience, Professional Background and Concurrent Positions

I, Zhou Guoping, have served as an independent non-executive director of MCC during the Reporting Period. I am a member of the Audit Committee, Nomination Committee, Remuneration and Appraisal Committee and Sustainability Committee of the Board of MCC, and serve as the convenor of the Nomination Committee.

My biographical details are as follows: From March 1992 to September 1996, I held successive positions as deputy director of the General Planning Department, and assistant director and director of the General Planning Department and Planning and Finance Department of China National Building Material Group Co., Limited; from September 1996 to October 1999, I served as deputy manager of the Planning and Finance Department and Fund Management Department of the Company; from October 1999 to October 2003, I successively held the positions of manager of the Planning and Finance Department and Finance Department, and general manager of the Finance Department of China National Building Material Group Co., Limited; from October 2003 to December 2009, I served as the assistant general manager; from December 2009 to January 2015, I held the post of chief economist of China National Building Material Group Co., Limited; from January 2015 to September 2016, I served as chief economist and chief legal counsel of China National Building Material Group Co., Limited; from September 2016 to February 2020, I served as chief economist of China National Building Material Group Co., Limited.

(II) Independence

I have conducted a self-review of my independence status, as detailed below:

1. I, as well as my spouse, parents, children and close relatives, do not hold any position in the Company or its affiliated entities;
2. I do not directly or indirectly hold more than 1% of the issued shares of the Company, nor am I a member of the Company's top ten shareholders, nor a spouse, parent or child of any of the top ten shareholders;
3. Neither I nor my spouse, parents or children hold any position in entities that directly or indirectly hold more than 5% of the Company's issued shares, nor in the Company's top five shareholder entities;
4. Neither I nor my spouse, parents or children hold any position in the Company's controlling shareholder, actual controller or their respective subsidiaries;
5. I am not a person providing financial, legal, consulting, sponsorship or other services to the Company, its controlling shareholder, de facto controller, or their respective subsidiaries;
6. I am not a person with significant business dealings with the Company, its controlling shareholder, actual controller or their respective affiliated entities, nor a person holding a position in any entity having significant business dealings with the aforesaid parties or their respective controlling shareholders and de facto controllers;
7. There are no circumstances as set forth in the preceding six items within the last twelve months. I have not received any additional undisclosed benefits from the Company, its major shareholders, or any related parties and entities with conflicting interests.

Therefore, I possess independent status and comply with the requirements for independence of independent directors stipulated in the "Administrative Measures for Independent Directors of Listed Companies" and other relevant laws and regulations, as well as the independence criteria for independent non-executive directors set forth in the "Stock Exchange Listing Rules" and the requirements of Hong Kong Stock Exchange.

II. OVERVIEW OF THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR**(I) On-site Engagement at the Listed Company**

In 2025, I fulfilled my duties diligently and conscientiously through various means, including attending meetings of the board of directors and its special committees, conducting on-site inspections and investigations of key subsidiaries and major projects, maintaining regular communication with the audit institution, and reviewing relevant documents concerning the Company's operations. The total duration of my on-site work at the Company throughout the year exceeded fifteen days. Meanwhile, I utilized my own knowledge and background in the course of performance of routine duties to provide constructive opinions to the development and standardized operation of the Company and actively and effectively performed the duties of the independent director, which in turn has made positive contributions to the scientific decision-making of the Board.

(II) Attendance at Board Meetings

In 2025, the Company convened 14 Board meetings in total, including 7 meetings held by way of on-site meeting (including a combination of on-site and communication conference) and 7 meetings held through communication conference. The Board considered proposals and heard reports with a total of 84 resolutions and passed 77 resolutions.

I personally attended all 14 Board meetings. Prior to the meetings, I carefully considered the relevant documents, raised concerns and issues in a timely manner and communicated with the management or relevant departments of the Company to make a deep understanding of situations and to obtain information. At the meetings, I earnestly considered each issue, actively participated in discussions, provided recommendations and opinions, and expressed independent views on all decisions made by the Board. In 2025, I exercised independent voting rights on 77 issues, ensuring independence in the decision-making process of the Board of the Company. The voting record for the current year is as follows: 77 approvals, 0 objections and 0 abstentions.

(III) Participation in Special Committees of the Board

In 2025, the special committees of the Board of MCC held a total of 23 meetings and discussed 37 issues. Among which, the Audit Committee held 9 meetings, at which 19 issues were studied and discussed; the Remuneration and Appraisal Committee held 3 meetings, at which 3 issues were studied and discussed; the Sustainability Committee held 2 meetings, at which 5 issues were studied and discussed; the Nomination Committee held 2 meetings, at which 3 issues were studied and discussed; the Strategy Committee held 2 meetings, at which 2 issues were studied and discussed; and 5 special meetings of independent directors were held with 5 issues studied and discussed.

As a member of the Audit Committee, Nomination Committee, Remuneration and Appraisal Committee and Sustainability Committee, I attended a total of 21 special committee meetings (including special meetings of independent directors) in 2025. In the course of attendance at meetings and performance of duties, I leveraged on my professional knowledge, management experience and qualification and adhered to the professional ethics of diligence to provide professional opinions and constructive suggestions on the appointment of auditors, the audit of the Company's annual financial statements, key financial indicators and financial statements of the Company, implementation of internal control systems, progress and implementation of sustainable development strategies and plans, performance evaluation and remuneration arrangements for senior management, as well as related transactions, thereby providing reference for the decision-making of the Board and ensuring that the decision-making of the Board is objective, fair and scientific.

(IV) Fulfillment of Duties as an Independent Director**1. *Earnestly consider significant matters and prudently issue opinions***

In 2025, I have carefully reviewed all matters submitted for the Board's decision. Through the special meetings of independent directors, I examined and reviewed proposals relating to related transactions, including the annual limits for routine and continuing related transactions and the engagement of independent financial advisors to conduct reviews on related transaction matters.

I am of the opinion that the decision-making and voting procedures for the aforementioned matters comply with the provisions of the Articles of Association and are fully legitimate and compliant, with no circumstances that would prejudice the interests of the Company or its shareholders.

2. *Actively conduct on-site investigation to deeply grasp the operation*

In 2025, in my capacity as an independent director of the Company, I conducted two director research activities focusing on the themes of “Focusing on Development and Advancing Key Initiatives” and “Establishing Institutional Mechanisms for Scientific and Technological Innovation”. I successively visited subsidiaries including WSGRI Engineering & Surveying Incorporation Limited, WISDRI Engineering & Research Incorporation Limited, China First Metallurgical Group Co., Ltd., MCC Capital Engineering & Research Incorporation Limited and Central Research Institute of Building and Construction Co., Ltd., and conducted on-site inspections of key projects of the Company located in Wuhan and Beijing.

During the investigation, I conducted a detailed review of the operational status, market development, and implementation of Board decisions of the surveyed subsidiaries, and obtained first-hand information regarding the Company’s operations, reform and development. Such insights provide solid support for future decision-making at Board meetings. In addition, taking into account national policy requirements, industry development trends and the Company’s current development situation, I put forward opinions and suggestions for the surveyed entities, and offered recommendations to promote their high-quality development.

(V) Communication with the Audit Institution on the Financial and Operational Conditions of the Company

In respect of key matters concerned by regulatory authorities and the market, I put forward reasonable proposals for the contents required to be substantially disclosed for the consideration at the Board meeting. When preparing the annual report, I followed up the annual audit and the preparation of annual report, communicated with the management of the Company in a timely manner with respect to the audit opinions and the important matters during the audit process, and ensured various effective communications with auditors before and after the preparation, and expressed professional opinions in accordance with relevant requirements of the “Work Procedures related to Annual Report of Independent Directors”.

(VI) Cooperation of the Listed Company with Independent Directors

In 2025, the Board of the Company proactively expanded the communication channels and promoted the optimization of an information-sharing system to ensure that independent directors were able to keep abreast of true and reliable information in a timely, comprehensively and complete manner, thus safeguarding the effective performance of the duties by independent directors.

In the course of operation of the Board, the Company has required its departments and subsidiaries to create a favorable environment and conditions for Independent Directors to perform their duties, and to regularly submit the information in relation to the production and operation of the Company to each independent director. The advice and opinions on the production and operation, and reform and development of the Company made by independent directors are fully respected, carefully listened to, humbly accepted and actively implemented, so as to promote the sound development of businesses of the Company.

The Company attached great importance to the role of special committees of the Board in supporting decision-making. Prior to the consideration of major matters including strategic management and control, major investment and financing, financial budgeting and final accounts, audit and internal control, and management performance assessment and remuneration, the special committees of the Board conducted thorough reviews in advance and formulate dedicated review opinions. The conveners of each special committee gave relevant views at Board meetings, thereby giving prominence to professional discussion and consultation function of the special committees and improving the scientific decision-making of the Board.

III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTORS FOR THE YEAR

In 2025, I fulfilled my duties diligently and conscientiously, and faithfully discharged my obligations as an independent director. In addition to attending meetings punctually and maintaining comprehensive and timely understanding of the business development of the Company, I focused on monitoring potential material conflicts of interest between the listed company and its controlling shareholders, actual controllers, directors and senior management. I conducted targeted investigations and research on matters including the Company's operational activities, financial management, internal control system development, utilization of raised funds, related transactions and daily operations, and received special reports from relevant personnel. I obtained necessary information and materials for decision-making and highlighted potential risks accordingly. Specific details are as follows:

(I) Related Transactions Subject to Disclosure

During the reporting period, I have conducted prior inspection of all matters involving connected transactions of the Company, and issued their independent opinion. I was of the view that decision-making of connected transactions and voting procedures were in compliance with the requirements of laws and regulations as well as the Articles of Association. The parties to the transactions followed the law of the market, entered into the agreement based on the principles of voluntariness, equality and mutual benefit, and shall

be entitled to rights and perform duties as agreed. No such connected transactions would harm the interests of the Company and non-connected Shareholders, especially minority shareholders, nor would they establish the reliance of the Company's business on related parties.

(II) Plans for Changes to or Waivers of Commitments by the Listed Company and Relevant Parties

I have paid close attention to the commitments made by the China Minmetals Corporation (controlling shareholder of the Company) CMGC (shareholder of the Company), including those relating to avoidance of competition, reduction of business overlap, bond issuance and raised funds. During the Reporting Period, the above-mentioned commitment to solve and avoid horizontal competition has been strictly fulfilled; the use of all raised funds of corporate bonds is consistent with the purpose, use plan and other agreements promised in the prospectus; the operation of raised fund accounts is standardized, and all withdrawals and uses of funds have gone through the Company's internal approval procedures.

(III) Decisions and Measures Adopted by the Board of the Acquired Listed Company in Relation to the Acquisition

No relevant matters arose during the current year.

(IV) Disclosure of Financial Information in Financial Statements and Periodic Reports, and Internal Control Evaluation Reports

The Company has maintained effective internal control over financial statements in all material aspects in compliance with the enterprise internal control framework and relevant provisions. The existing internal control system of the Company is consistent with its operational reality, with sound institutional arrangements and effective operation. The Company has disclosed financial information included in the financial statements and periodic reports, as well as internal control evaluation reports in accordance with relevant requirements. All decision-making and disclosure procedures pertaining to such matters are compliant with applicable laws and regulations.

(V) Appointment and Dismissal of Accounting Firms Engaged for Audit Services of the Listed Company

As a member of the Audit Committee of the Board, I participated in the selection of the Company's financial audit institution and internal control audit institution. I reviewed the professional qualifications, investor protection capabilities, integrity records and independence of Deloitte CPA. I am of the opinion that the Deloitte CPA possesses valid qualifications for securities-related services, extensive experience in auditing listed companies and sound professional ethics. It maintains satisfactory independence and integrity, and is fully capable of meeting the Company's audit requirements. The appointment procedure complies with relevant laws, regulations and the provisions of the "Articles of Association", and does not impair the interests of the Company and its shareholders. Therefore, I approved the appointment of Deloitte CPA as the Company's principal auditor for financial statements and internal control auditor for 2025.

(VI) Appointment and Dismissal of the Financial Officer of the Listed Company

As a member of the Audit Committee and the convener of Nomination Committee of the Board of the Company, I have reviewed the qualifications of the proposed candidate for chief accountant (chief financial officer) of the Company. I am of the view that the candidate meets the relevant requirements stipulated by applicable laws, regulations, normative documents and the "Articles of Association". The nomination and voting procedures are legitimate and compliant, and there are no circumstances that would compromise the legitimate interests of the Company's shareholders, particularly those of minority shareholders. Therefore, I approved the appointment of Mr. Dong Su as vice president and chief accountant (chief financial officer) of the Company.

(VII) Changes in Accounting Policies, Accounting Estimates or Correction to Material Accounting Errors for Reasons Other Than Amendments to Accounting Standards

During my tenure in 2025, no such circumstances occurred in the Company.

(VIII) Nomination, Appointment and Dismissal of Directors and Members of Senior Management

As the convener of Nomination Committee of the Board of the Company, I have reviewed the qualifications of the proposed candidates for vice president and secretary of the Board. I am of the view that their qualifications for office comply with relevant laws, regulations, normative documents and the provisions of the "Articles of Association". The nomination and voting procedures are legitimate and compliant, and there are no circumstances

that would impair the legitimate interests of shareholders, especially those of minority shareholders. Therefore, I approved the appointment of Mr. Xiao Peng as vice president of MCC, and the appointment of Mr. Chang Qi as secretary of the Board, joint company secretary and authorised representative of the Company.

(IX) Remuneration of Directors and Members of Senior Management

As a member of the Remuneration and Appraisal Committee of the Board, I have reviewed the remuneration of directors and senior management in accordance with relevant regulatory requirements. I am of the opinion that the remuneration of directors and members of senior management for the 2025 financial year has been determined and paid in strict compliance with relevant regulatory provisions and the Company's Board regulations. The disclosed remuneration data are prepared in accordance with the annual report requirements for H Shares and are true and accurate.

IV. OVERALL EVALUATION AND RECOMMENDATION

As an independent director of the Company, I diligently, independently and prudently performed our duties based on the principle of safeguarding the interests of the Company and minority shareholders. In 2026, I will continue to study thoroughly the production and operation matters of the Company and continue to perform our duties in a prudent, earnest, diligent and honest manner in accordance with the provisions and requirements of independent directors under relevant laws and regulations. Leveraging on our professional knowledge and intensive experience, we will provide opinions for reference by the Board in its decision-making and provide appropriate recommendations on the development of the Company; it is also our hope to facilitate solid operation and standardized running of the Company through concerted efforts, so as to continuously enhance the quality of the Company's operation, and to safeguard the legitimate interests of the Company and shareholders.

Report is hereby given.

Independent non-executive Director:

Zhou Guoping

5 June 2026

**WORK REPORT OF THE BOARD OF METALLURGICAL CORPORATION
OF CHINA LTD.
FOR THE YEAR 2025**

In 2025, the Board of Metallurgical Corporation of China Ltd. (the “**Company**” or “**MCC**”) has fully implemented the “two consistent implementation principles” and earnestly fulfilled the core responsibilities of the Board in “setting strategies, making decisions and preventing risks” under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. Centering on six dimensions—scientific system construction, rational and rigorous decision-making, efficient and coordinated operation, professional team building, comprehensive quality enhancement, and cultural leadership and empowerment—the Board has continuously improved the effectiveness of corporate governance. Faced with a complex and volatile market environment, the Board has grasped development opportunities with strategic vision, rationally formulated business directions, vigorously promoted reform and innovation, and firmly safeguarded risk boundaries. It has effectively driven the Company to achieve high-quality development under the general principle of pursuing progress while maintaining stability.

I. OPERATING RESULTS AND DEVELOPMENT FOR 2025

2025 marks the final year of the 14th Five-Year Plan. Faced with a complex and volatile environment, the Company adhered to the general principle of pursuing progress while maintaining stability, forged ahead amid challenges, and made every effort to advance all initiatives of the “Four Stabilities and Eight Progresses (四穩八進)”. It consolidated its foundations through strengthened governance, forged competitive advantages via transformation and upgrading, and demonstrated strong commitment in overcoming difficulties. Key operational indicators remained stable throughout the year, reflecting the Company’s robust development resilience and laying a solid foundation for a sound start of the 15th Five-Year Plan. During the Reporting Period, the Company achieved newly signed contracts of RMB1,112.922 billion, operating revenue of RMB455.380 billion, total profit of RMB5.009 billion, and net profit attributable to shareholders of the Company of RMB1.322 billion.

(I) Continuous Optimization of Business Structure and Enhanced Growth Momentum of Core Businesses

Focusing on the core business of metallurgical construction, the Company has fully leveraged its profound expertise and core advantages in industrial technology, full industrial chain and general engineering contracting. It strived to build itself into the best comprehensive solution provider and the most reliable general contractor. In the core business sectors of metallurgy, non-ferrous metallurgy and mining engineering, the Company advanced technological upgrading and complete equipment supply as the driving force, and strengthened product marketing and value-added services. The newly signed contract volume of these sectors

increased by 12.3% year-on-year, and its leading advantages were steadily consolidated. Focusing on the development of new industries and new sectors, the core business vigorously expanded industrial construction and urban renewal projects, driving the transformation and upgrading of the business structure and strengthening its supporting capacity. The specialized business sectors maintained steady growth, and tangible achievements were made in the expansion of emerging sectors. The Company successfully signed new infrastructure projects including the Xiong'an Project Phase I for Alibaba Tongyi Large Model (阿裡通義大模型 雄安一期) and the Western Data Center Phase I of People's Insurance Company of China (中國人保西部資料中心一期). The scale of overseas business exceeded RMB100 billion, with newly signed contracts rising by 6% year-on-year. Among them, the contract value of metallurgical and mining engineering projects reached RMB60.9 billion, accounting for 60.5% of the overseas engineering contract value, and the structure of overseas business was further optimized.

At the end of 2025, the Company actively responded to the relevant requirements for central state-owned enterprises to focus on core businesses, promote professional integration and optimize resource allocation. Approved by the first extraordinary general meeting held on 29 December 2025, the Company disposed of 100% equity interests and relevant equity claims in MCC Real Estate, as well as 100% equity interests in China Non-ferrous Engineering and Research Institute, MCC Tongsin Resources, MCC Ramu and MCC Duddar, and 67.02% equity interests in MCC-JJJ Mining to China Minmetals Corporation and its designated entities (refer to the relevant announcements published by the Company on 9 December 2025 and 30 December 2025 for further details). Through the divestment of non-core assets, the Company has facilitated the reallocation and efficient deployment of resources such as human resources, capital and management. This enables the Company to achieve a more focused core business, a streamlined structure and enhanced operational efficiency, further improving overall operational stability and risk resilience. The Company is now positioned to advance steadily along the path of high-quality development with reduced operational burdens.

(II) Improvement of Scientific and Technological Innovation Efficiency and Comprehensive Enhancement of Core Advantages

The State Key Laboratory of Iron and Steel Industry Environmental Protection completed restructuring and optimization, and the scientific and technological innovation service platform for mining resources was established and put into operation, which enhanced the capacity of the Company's scientific and technological innovation platforms. Breakthroughs have been achieved in the industrialization of key core technologies. The high-pressure induction heating device for molten salt energy storage was selected into the recommended catalogue of the Ministry of Industry and Information Technology. The pilot project of deep underground hydrogen energy storage was included in the first batch of national hydrogen

energy demonstration projects, and the fully intelligent steel structure component production line was officially put into operation. Significant progress has been achieved in the field of intelligent construction. The Company launched the first domestically developed intelligent construction robot cluster in China, including a project-level intelligent scheduling and management system, as well as four types of robots for high-altitude welding, multi-purpose transportation, steel bar processing and intelligent spraying. The Company undertook 28 national key research and development projects (topics) throughout the year, and was awarded 25 Metallurgical Science and Technology Awards and 4 Chinese Patent Awards.

(III) Improvement of Production and Performance Quality and Continuous Enhancement of Brand Influence

The Company continuously deepened the application of the “Engineering Project Management Manual”, conducted comprehensive inspections on more than 4,000 projects at all levels, promoted the process subcontracting model, and achieved full coverage of demonstration project inspections. The performance management has shifted from broad coverage to focused improvement. With the further improvement of the cost control system, the Company compiled the first edition of the “Commercial Management Manual for Engineering Projects”, and issued and implemented the “Guidelines for Key Work of Cost Control on Engineering Projects” and “Guidelines for Project Resource Allocation”. The Company has promoted large-scale centralized procurement at the headquarters and extended the practice to subsidiaries, further expanding the categories and scope of centralized procurement, achieving remarkable results in cost reduction. Breakthroughs were achieved in quality excellence initiatives, and the Company became a recommended entity for the National Quality Award for the first time. Throughout the year, the Company secured 11 Quality Technology Awards from the China Quality Association and 220 Quality Management Group Achievement Awards from the China Construction Industry Association and the China Construction Enterprise Management Association, with both the scope and quantity of awards achieving substantial growth.

(IV) Continuous Improvement of Organizational Efficiency and Effective Resolution of Debt Risks

The Company has continuously improved organizational efficiency, optimized the institutional structure and functional allocation of the headquarters, and advanced the transformation of the headquarters into a strategic and empowering entity. The Company reduced a total of 86 institutional entities throughout the year, achieving a simultaneous reduction in both the number of loss-making units and the total loss amount. The reform momentum of subsidiaries has been steadily strengthened. Eight subsidiaries were awarded benchmark, excellent and excellent ratings in the special assessments of the “Science and Technology Reform Action” and “Double Hundred Action”. In addition, eight subsidiaries

were newly recognized as national-level specialized, innovative and outstanding “Little Giant” enterprises and single champion enterprises in manufacturing. Through the disposal of relevant business assets, the Company has effectively resolved debt risks and activated resource values, thereby gaining valuable space for the Company to further focus on the development of its principal business, optimize its asset structure and achieve a lighter load for development.

(V) Full Implementation of Valuation Enhancement Plan and Action Program for Enhancing Quality, Efficiency, and Returns and Steady Improvement of Listed Company Quality

The Company has further implemented the special initiatives for quality improvement and efficiency enhancement as well as valuation upgrading to promote stable and high-quality development. Actively responding to the “Special Campaign for Enhancing Quality, Efficiency, and Returns of SSE-listed Companies” issued by the Shanghai Stock Exchange, the Company has formulated the “Market Value Management System” and “Valuation Enhancement Plan” in compliance with the relevant requirements defined by the China Securities Regulatory Commission and the State-owned Assets Supervision and Administration Commission of the State Council for strengthening market value management, so as to further improve and refine the market value management mechanism. During the Reporting Period, the Company focused on the development goal of “One Creation, Two Priorities and Five Strengths (一創兩最五強)”, continuously optimized the business system layout of “One Core, Two Entities and Five Features (一核心兩主體五特色)”, and steadily advanced the “Five-Five” strategy to drive high-quality corporate development. It also accelerated the in-depth integration of technological innovation and industrial innovation, and promoted the transformation and upgrading of the enterprise relying on technological advantages. Meanwhile, the Company actively advanced initiatives such as dividend distribution and share repurchases. The 2024 annual cash dividend was distributed in July 2025, with a total dividend amount of RMB1.16 billion. In December 2025, the Company announced a plan to repurchase certain A-shares and H-shares. The repurchase amount for A-shares shall be no less than RMB1.0 billion and no more than RMB2.0 billion, and the repurchase amount for H-shares shall not exceed RMB0.5 billion. As of 30 March 2026, the Company has repurchased 5,027,750 A-shares and 19,637,000 H-shares, with a total expenditure of RMB193 million, which has effectively safeguarded the market value of the Company. The Board considered that the implementation of the Company’s “Valuation Enhancement Plan” for 2025 has achieved satisfactory results.

II. WORK OF THE BOARD IN 2025

As an important component of the corporate governance structure, the Company's Board and Audit Committee, together with the Party Committee and management, performed their respective duties, maintained effective communication, and established a standardized mechanism for coordinated and efficient operation of decision-making, management and supervision. During the reporting period, the corporate governance level of the Company was further improved, laying a solid foundation for sustainable development and enhanced shareholder value.

(I) Institutional Leadership, Improvement of Governance System and Consolidation of Governance Foundation

The Company strictly complies with domestic and international laws, regulations, regulatory provisions and state-owned enterprise supervision requirements, and establishes a modern corporate governance system centered on the "Articles of Association", featuring clear powers and responsibilities, coordinated operation and effective checks and balances. In recent years, all governance bodies have operated efficiently and collaboratively, with their respective functions fully fulfilled.

During the reporting period, in accordance with the new "Company Law", relevant state-owned enterprise reform and the latest securities supervision requirements, the Company further improved its governance system, and revised and issued more than ten corporate governance regulations, including "Articles of Association", "Rules of General Meetings", "Rules of Board Meetings", "Working Rules of the Audit Committee", "Working Rules of the Sustainability Committee", "Working Rules of the Strategy Committee", "Working Rules of the Remuneration and Appraisal Committee" and "Working Rules of the Nomination Committee". Meanwhile, the Company abolished relevant regulations defined by the Supervisory Committee such as "Rules of Supervisory Committee Meetings" and "Working Rules of the Supervisory Committee" in accordance with relevant provisions. Currently, all operations of the Company are steadily advanced in accordance with the new regulations and requirements.

(II) Standardized Operation, Improved Decision-Making Mechanisms and Enhanced Decision-Making Efficiency

The Board has established five special committees, namely the Strategy Committee, Audit Committee, Nomination Committee, Remuneration and Appraisal Committee and Sustainability Committee, and has improved the independent directors' special meeting mechanism in compliance with regulatory requirements.

In 2025, the Board and its special committees of the Company performed their duties in strict compliance with the powers and responsibilities stipulated by regulatory provisions. Conducting operations in accordance with the “Company Law”, listing regulatory requirements, the Articles of Association, and the rules of shareholders’ meetings and board meetings, they aimed to safeguard and enhance the value of state-owned assets and maximize shareholder interests. The Board and its special committees effectively fulfilled their responsibilities of “setting strategies, making decisions and preventing risks”, accurately grasped development opportunities, formulated scientific development strategies, vigorously promoted reform and innovation, strictly controlled various risks, advanced the transformation and upgrading of the Company, and accelerated the progress of high-quality development.

The Board attached importance to leveraging the professional review, operational supervision and decision-support functions of special committees and independent directors, and promotes the routine performance of their work. Based on their respective responsibilities and authority, each special committee and independent directors’ special meetings conducted thorough review in compliance with laws and regulations on key matters concerned by regulatory authorities and minority shareholders, including the appointment of auditors, nomination and remuneration of directors and senior management, construction of the internal control system and related transactions, before submitting such matters to the Board for consideration. The special committees and independent directors played a vital role in the decision-making of major matters and risk prevention of the Company, effectively ensuring the legality, standardization and independence of all operations of the listed company, and laying a solid foundation for enhancing the professionalism and efficiency of the deliberation and decision-making of the Board.

During the Reporting Period, the Company held 14 Board meetings, reviewed and considered 84 proposals and reports, and adopted 77 resolutions. The special committees of the Board held 23 meetings in total and discussed 37 issues.

(III) Responsible Performance, Active Participation and Targeted Development Empowerment

During the reporting period, all Directors have strictly complied with the “Company Law of the People’s Republic of China”, the “Securities Law of the People’s Republic of China” and other relevant laws and regulations, as well as the “Articles of Association of MCC” and relevant institutional provisions. With a conscientious and diligent attitude, they have exercised their authority independently and impartially, effectively safeguarding the overall interests of the Company and the legitimate rights and interests of all shareholders.

The attendance of Directors at Board meetings and shareholders' meetings is set forth below:

Name of director	Independent director (Yes/No)	Attendance at Board meetings					Attendance at shareholders' meetings	
		Number of meetings at Board required for the year	Number of meetings attended in person	Number of attendance through communication tools	Number of meetings attended by proxy	Number of absence	Absent from Board meetings for two consecutive times (Yes/ No)	Number of attendance at shareholders' meetings
Chen Jianguang	No	14	13	7	1	0	No	2
Bai Xiaohu	No	14	14	7	0	0	No	2
Lang Jia	No	14	14	7	0	0	No	1
Liu Li	Yes	14	14	7	0	0	No	1
Ng, Kar Ling								
Johnny	Yes	14	14	7	0	0	No	0
Zhou Guoping	Yes	14	14	7	0	0	No	0
Yan Aizhong	No	14	12	7	2	0	No	0
Zhou Jichang ^{Note}	Yes	1	1	1	0	0	No	0

Note: On 12 March 2025, the Board of the Company received a written resignation letter from Mr. Zhou Jichang, an independent non-executive Director of the Company. Due to his completion of six consecutive years of service as an independent non-executive Director of the Company, Mr. Zhou Jichang resigned from his position as independent non-executive director of the Company (refer to the relevant announcement disclosed by the Company on 13 March 2025 for details).

In 2025, the Directors of the Company conducted two collective research activities focusing on the themes of “Focusing on Development and Advancing Key Initiatives” and “Establishing Institutional Mechanisms for Scientific and Technological Innovation”. They successively visited subsidiaries including WSGRI Engineering & Surveying Incorporation Limited, WISDRI Engineering & Research Incorporation Limited, China First Metallurgical Group Co., Ltd., MCC Capital Engineering & Research Incorporation Limited and Central Research Institute of Building and Construction Co., Ltd., and conducted on-site inspections of key projects of the Company located in Wuhan and Beijing. During the investigation, the directors conducted a detailed review of the operational status, market expansion and implementation of Board decisions of the surveyed subsidiaries, and obtained first-hand information on the production, operation and reform progress of the Company, providing strong support for subsequent Board deliberations and decision-making. Meanwhile, they conducted in-depth analysis on the development challenges of the surveyed entities and put forward targeted management recommendations, effectively driving the high-quality development of relevant subsidiaries.

The remuneration of non-employee directors of the Company shall be reviewed and approved by the shareholders' meeting. The remuneration of non-executive directors and independent non-executive directors shall be determined with reference to market conditions and the Company's actual situation. Executive directors do not receive remuneration for their directorial positions, and their compensation shall be determined based on their respective positions and performance evaluation within the Company. Remuneration of directors for the year 2025 is set forth below:

Name	Position	Gender	Age	Start date of office		End date of office term	Total pre-tax remuneration received from the Company during the Reporting Period (RMB0'000)	Remuneration received from related parties of the Company (Yes/No)
				term				
Current								
Chen Jianguang	Chairman, executive director	Male	59	26 January 2022		Until the establishment of the fourth session of the Board	0	Yes
Bai Xiaohu	Executive director	Male	58	30 December 2024		Until the establishment of the fourth session of the Board	137.21	No
	Vice president			28 August 2020		Upon appointment or dismissal by the Board		
Lang Jia	Non-executive director	Male	72	26 January 2022		Until the establishment of the fourth session of the Board	29.94	No
Liu Li	Independent non-executive director	Male	70	26 January 2022		Until the establishment of the fourth session of the Board	33.24	No
Ng, Kar Ling Johnny	Independent non-executive director	Male	65	29 April 2020		Until the establishment of the fourth session of the Board	32.64	No
Zhou Guoping	Independent non-executive director	Female	66	30 December 2024		Until the establishment of the fourth session of the Board	32.80	No
Yan Aizhong	Employee representative director	Male	58	31 August 2020		Until the establishment of the fourth session of the Board	133.95	No
Former								
Zhou Jichang	Independent non-executive director	Male	75	12 March 2019	12 March 2025		5.58	No

(IV) Compliance Assurance, Positive Image Establishment and Governance Value Manifestation

During the Reporting Period, the Company attached great importance to information disclosure, strictly fulfilled its disclosure obligations in compliance with the latest provisions and requirements of the listing rules of its stock listing destinations. The Company also continuously innovated disclosure content and forms, comprehensively refined and optimized disclosure procedures, and steadily improved the quality of information disclosure. In 2025, the Company issued a total of 293 standardized bilingual announcements. Among them, 110 announcements were published on the Shanghai Stock Exchange, 113 Chinese announcements and 70 English announcements were released on the Hong Kong Stock Exchange. The content covers operational performance data, related party transactions, external guarantees, dividend distribution, asset disposal and share repurchases, ensuring truthful, accurate, complete, timely and equitable information disclosure.

The Company closely aligns with new strategic development requirements and conducts investor relations management in a comprehensive and rigorous manner. Guided by the goal of highlighting core strengths of the Company and conveying long-term investment value, the Company actively builds efficient communication channels with the capital market and continuously develops an investor relations system with professional depth and distinctive characteristics. Through multi-dimensional and regular market engagement and value communication, the Company continuously enhances its influence and recognition in the capital market, injects capital momentum into its transformation and upgrading, and effectively promotes the improvement of market value management efficiency and sustainable development of the enterprise.

The Board of the Company attaches great importance to environmental, social and governance (ESG) initiatives, implements the new development philosophy and upholds high-quality development. It continuously integrates ESG governance with operational management, strengthens value creation, improves governance standards and lays a solid foundation for sustainable development. The Company is committed to promoting green development, actively fulfilling environmental responsibilities and continuously practicing social responsibility.

The outstanding governance practices of the Company have gained wide recognition from the capital market. During the Reporting Period, the Company won the “A” rating of information disclosure on the Shanghai Stock Exchange for the ninth consecutive year. It was awarded the “Golden Round Table Forum • Special Award for Corporate Governance (金圓桌 • 公司治理特別貢獻獎)”, New Fortune’s “Best IR Hong Kong-Listed Company”, and “Best ESG Practices for Listed Companies in 2025” from Yidong. The Company was also successfully selected as one of the “2025 Best Sustainable Development Practice Case” and “Best Annual Report Performance Presentation Practice Case” by the China Association for Public Companies.

III. OUTLOOK FOR 2026

2026 marks the inaugural year of the 15th Five-Year Plan, and MCC will keep firmly in mind the mission of central enterprises and bravely shoulder the historical responsibilities of the times. With unwavering resolve in the face of adverse tides and the courage to break through difficulties and tackle tough challenges, the Company will vigorously implement the “five-five” strategy to optimize business structure, strengthen the core business to consolidate the “foundation” of traditional advantages, optimize the main business to reinforce the “ballast stone” of scale and efficiency, expand the featured businesses to open up a new track for transformation and upgrading, and upgrade international business to forge a “growth pole” for overseas development. We will stand side by side with all shareholders, work together with one heart and one mind to overcome difficulties, and compose a new glorious chapter of high-quality development with diligent and concrete actions. We will repay the trust and profound affection of all shareholders and all sectors of society with excellent results, and contribute MCC’s strength to serving national strategies, propelling the high-quality development of the industry and advancing the construction of Chinese modernization!

Board of Metallurgical Corporation of China Ltd.

5 June 2026

MANAGEMENT MEASURES OF REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT OF MCC**CHAPTER I GENERAL PROVISIONS**

Article 1 In order to further improve the remuneration management system for the Directors and senior management of Metallurgical Corporation of China Ltd.* (hereinafter referred to as the “Company”), establish and maintain effective incentive and restraint mechanisms, effectively motivate the Directors and senior management of the Company in their work, enhance the operational and management efficiency of the Company, and perfect the Company’s remuneration management system, these Measures are specially formulated in accordance with relevant laws, regulations and provisions such as the Governance Code for Listed Companies, the Measures for the Administration of Remuneration of Central Enterprise Executives, the Measures for the Administration of Remuneration of Heads of Secondary Units of China Minmetals Corporation, and the Articles of Association of Metallurgical Corporation of China Ltd.* (hereinafter referred to as the “Articles of Association”), and taking into account the actual circumstances of the Company.

Article 2 These Measures belong to the second tier of the Company’s policy framework system and shall apply to the Directors and senior management of MCC. The term “senior management” refers to the President, Vice President, Chief Accountant, and other senior management personnel (if any) as stipulated in the Articles of Association.

Article 3 The administration of remuneration for Directors and senior management shall adhere to the following principles:

- (i) Adherence to market orientation. The remuneration of Directors and senior management shall be commensurate with market development, aligned with the Company’s operational performance and individual achievements, and consistent with the Company’s sustainable development, so as to ensure that the remuneration level possesses effective incentive properties and moderate external competitiveness.
- (ii) Emphasis on both incentives and constraints. The remuneration of Directors and senior management shall be commensurate with operating responsibilities and risks, and closely linked to the assessment of operating performance. The remuneration shall increase when performance improves and decrease when performance declines, so as to fully motivate the work enthusiasm of Directors and senior management.

- (iii) Compliance with laws and regulations. Strict requirements shall be implemented regarding the management of remuneration, benefits, performance-related entitlements, and business expenses of Directors and senior management, and the distribution of income shall be comprehensively regulated.
- (iv) Prioritising efficiency while maintaining fairness. The growth of remuneration for Directors and senior management shall be coordinated with the growth of the Company's economic benefits and employee wages.
- (v) Adherence to the principles of openness, fairness, and transparency.

Article 4 These Measures are primarily intended to address risks arising from deficiencies in the remuneration management system for Directors and senior management, including but not limited to an imperfect remuneration management framework, an unreasonable remuneration structure, non-compliant remuneration decision-making procedures, and irregular remuneration payment practices.

CHAPTER II DIVISION OF RESPONSIBILITIES

Article 5 The remuneration plan for Directors shall be determined by the shareholders' meeting and disclosed accordingly. The remuneration plan for senior management shall be approved by the Board, explained to the shareholders' meeting, and fully disclosed.

Article 6 The Remuneration and Appraisal Committee of the Board shall have the following responsibilities:

- (i) to be responsible for formulating the annual remuneration plan for Directors and senior management;
- (ii) to be responsible for reviewing the performance of duties of Directors and senior management and conducting annual performance appraisals in respect thereof; and
- (iii) to be responsible for supervising the implementation of the remuneration plan for Directors and senior management.

Article 7 When the Board or the Remuneration and Appraisal Committee evaluates or discusses the remuneration of an individual Director, such Director shall recuse himself/herself from the process.

Article 8 The Organization Department (Human Resources Department) of the Company's Party Committee and the Financial Management Department shall assist the Remuneration and Appraisal Committee of the Board in the specific implementation of the remuneration plan for Directors and senior management.

CHAPTER III REMUNERATION STRUCTURE

Article 9 The remuneration of Directors and senior management shall be determined based on the positions they hold and the relevant remuneration regulations of the Company, following the fundamental principles of benchmarking against industry standards and aligning with market practices. Taking into account the requirements of the supervising entity regarding the remuneration management of Directors and senior management, a differentiated remuneration structure shall be implemented for different categories of Directors and senior management.

Article 10 Remuneration of Directors:

- (i) External Directors: The remuneration of non-executive Directors and independent non-executive Directors shall be determined based on market levels and the actual circumstances of the Company. Specifically, the remuneration of non-executive Directors shall be determined by reference to relevant requirements of the supervising authority and the actual circumstances of the Company; the remuneration of independent non-executive Directors shall be determined by the shareholders' meeting of the Company based on market levels.
- (ii) Executive Directors: For an executive Director who does not concurrently serve as senior management and receive remuneration as such, his/her remuneration structure shall consist of base salary, performance-based remuneration, and medium-to-long-term incentive income, among other components. The proportion of performance-based remuneration shall, in principle, be no less than 50% of the total of base salary and performance-based remuneration. Performance-based remuneration shall be calculated based on the audited annual financial statements for the relevant year, determining the extent of completion of annual performance indicators and establishing the bonus amount. The specific proportion of performance-based remuneration to be disbursed for the relevant year shall be determined in accordance with relevant state-owned asset supervision requirements.

For an executive Director who concurrently serves as senior management of the Company and receives remuneration solely in his/her capacity as senior management, his/her remuneration structure shall be determined in accordance with the remuneration structure applicable to the senior management position he/she concurrently holds.

- (iii) Employee Representative Director: An employee representative Director shall not receive remuneration in his/her capacity as a Director. His/her remuneration structure shall be determined based on the specific position he/she holds within the Company and the relevant internal remuneration management policies of the Company.

Article 11 The remuneration of senior management shall consist of base salary, performance-based remuneration, and medium-to-long-term incentive income, among other components. The proportion of performance-based remuneration shall, in principle, be no less than 50% of the total of base salary and performance-based remuneration. Performance-based remuneration shall be calculated based on the audited annual financial statements for the relevant year, determining the extent of completion of annual performance indicators and establishing the bonus amount. The specific proportion of performance-based remuneration to be disbursed for the relevant year shall be determined in accordance with relevant state-owned asset supervision requirements.

CHAPTER IV REMUNERATION PAYMENT

Article 12 The determination of performance-based remuneration shall be based primarily on performance evaluation, adhering to the principle of “assessment first, payment thereafter”.

Article 13 The remuneration of Directors and senior management shall be pre-tax income for individual income tax purposes. With respect to individual income tax, housing provident fund, and various social insurance contributions, the portion payable by the individual shall be withheld and remitted by the Company from the individual’s base salary, while the portion payable by the Company shall be borne by the Company.

Article 14 Upon the conclusion of each operating year, the Remuneration and Appraisal Committee of the Board shall conduct performance appraisal and assessment of the Directors and senior management based on the audited financial data and the extent of completion of the Company’s annual operating targets, among other factors. The performance evaluation of independent Directors shall be conducted by way of self-assessment.

Article 15 The base salary of Directors and senior management shall be paid on a monthly basis. A certain percentage of the performance-based remuneration shall be paid after the disclosure of the annual report and the completion of the performance evaluation.

CHAPTER V REMUNERATION MANAGEMENT AND ADJUSTMENT

Article 16 The remuneration of Directors and senior management shall be subject to dynamic adjustment. The Company’s remuneration system shall remain responsive to changes in the market environment and operating conditions. Where the Company turns from profit to loss or incurs a widening loss compared to the preceding financial year, the average performance-based remuneration of Directors and senior management shall be reduced accordingly.

Article 17 If a Director or senior management concurrently holds a position in a subsidiary or a project department (project company), he/she shall not receive any additional remuneration for such concurrent position.

Article 18 Remuneration information of Directors and senior management shall be disclosed in a timely manner in accordance with the Governance Code for Listed Companies.

CHAPTER VI MECHANISM FOR DETERMINING THE TOTAL WAGE BILL

Article 19 The mechanism for determining the Company's total wage bill shall comply with the relevant regulations on the administration of the total wage bill. Based on the cleared total wage bill for the preceding year after adjusting for non-recurring items, and taking into account the annual economic growth rate linkage, benchmarking of labour cost efficiency, as well as the local annual wage guidelines for enterprises, the total wage bill for the year shall be determined.

Article 20 The annual remuneration of the Company's Directors and senior management shall be included in the cost and expenses, of which the base salary prepaid on a monthly basis shall be charged against the total wage bill for the current year, and the approved performance-based remuneration and medium-to-long-term incentive income shall be charged against the total wage bill for the respective years.

CHAPTER VII SUSPENSION OF PAYMENT AND CLAWBACK

Article 21 The remuneration shall be settled upon departure. Where a Director or senior management leaves office due to term expiry, re-election, resignation, dismissal or other reasons, the settlement shall be calculated based on their actual length of service and performance completion. With respect to deferred remuneration and medium-to-long-term incentive income that have not yet become due for payment, such amounts shall be dealt with in accordance with relevant regulations and contractual provisions, taking into account the results of the departure audit and the fulfilment of post-departure obligations.

Article 22 A remuneration clawback and recoument mechanism shall apply. In the event of any of the following circumstances, the Company may, depending on the severity of the matter, reduce or suspend the payment of unpaid performance-based remuneration, or claw back and recoup performance-based remuneration and deferred remuneration already paid for the relevant years:

- (i) where the Company is required to retrospectively restate its financial reports for prior years due to financial fraud;
- (ii) where a Director or senior management is penalised by CSRC or publicly censured by a stock exchange for material violations of laws or regulations;
- (iii) where a Director or senior management materially violates the Company's rules and regulations, commits dereliction of duty or misconduct, causing significant economic losses or material adverse impact to the Company;

- (iv) where a Director or senior management is at fault for violations of laws or regulations by the Company, including but not limited to financial fraud, misappropriation of funds, unauthorised guarantees, or non-compliant information disclosure;
- (v) other circumstances as determined by the Board of the Company.

CHAPTER VIII SUPPLEMENTARY PROVISIONS

Article 23 Matters not covered by these Measures shall be handled in accordance with relevant national laws, regulatory documents, and the Articles of Association. Should any provision of these Measures conflict with national laws, regulations, regulatory documents, or the Articles of Association, the relevant national laws, regulations, regulatory documents, and the Articles of Association shall prevail.

Article 24 These Measures shall be interpreted by the Board.

Article 25 These Measures shall take effect and come into force as of the date of approval by the shareholders' meeting. The original Management Measures of Remuneration of Directors and Senior Management of Metallurgical Corporation of China Ltd.* (Trial) shall be repealed simultaneously.

The following is an explanatory letter prepared in compliance with the requirements of the Listing Rules to provide shareholders with reasonably required information to enable them to make an informed decision on whether to vote for or against the resolutions to be proposed at the shareholders' meeting regarding the grant of the repurchase mandate.

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1. TOTAL NUMBER AND CLASS OF H SHARES PROPOSED TO BE REPURCHASED

As at the Latest Practicable Date, the total issued share capital of the Company was 20,691,619,170 shares, comprising 17,852,619,170 A Shares with a par value of RMB1.00 each (of which 85,731,626 A Shares have been repurchased but not yet cancelled) and 2,839,000,000 H Shares (The previously repurchased 32,000,000 H shares have been cancelled) with a par value of RMB1.00 each. As at the Latest Practicable Date, the Company did not hold any treasury shares (as defined in the Listing Rules).

The classes of shares proposed to be repurchased are the issued H Shares of the Company.

The total number of H Shares to be repurchased by the Company shall not exceed 10% of the number of issued H Shares of the Company (excluding any treasury shares and H Shares repurchased but not yet cancelled) on the date the H Share repurchase mandate is approved by the AGM. If the Company fully exercises the H Share repurchase mandate (based on 2,839,000,000 issued H Shares as at the Latest Practicable Date and assuming no allotment, issue or repurchase of H Shares by the Company on or before the date of the AGM), the Company will repurchase a maximum of 283,900,000 H Shares during the Relevant Period, and the total repurchase amount shall not exceed RMB500 million.

The Directors are of the view that, if the repurchase mandate is fully exercised at any time during the proposed repurchase period, the working capital and gearing ratio of the Company will not be materially and adversely affected (compared with the position disclosed in the latest published audited accounts contained in the annual report of the Company for the year ended 31 December 2025). Nevertheless, as an upper limit on the repurchase funds has been set, the Directors will not exercise the repurchase mandate in such a way as to cause a material adverse impact on the working capital requirements or gearing level of the Company. The number, price, and other terms of each repurchase of H Shares will be determined by the Directors in light of the prevailing circumstances at the time of repurchase and in the best interests of the Company.

2. REASONS FOR THE REPURCHASE

Based on confidence in the Company's future development prospects and recognition of its long-term value, taking into account factors such as the Company's operating conditions and financial position, and in order to enhance market confidence, increase earnings per share, and demonstrate the importance attached to investor returns, the Company proposes to use its own funds to repurchase part of its H Shares through centralized bidding transactions in accordance with relevant regulations, for the purpose of reducing the Company's registered capital.

3. SOURCE OF FUNDS FOR REPURCHASE

The source of funds for the H Share repurchase is the Company's own funds, which are funds that may legally be used for share repurchases under the Articles of Association and the applicable laws, rules, and regulations of PRC.

4. STATUS OF REPURCHASED SHARES

All H Shares repurchased by the Company will be dealt with in accordance with the Listing Rules.

If permitted by the Articles of Association, the Listing Rules, or any other applicable laws and regulations, the repurchased shares will be cancelled within a specific period. If such shares are cancelled, the registered capital of the Company will be reduced by an amount equal to the total par value of the shares at the time of cancellation.

5. PRICES OF H SHARES

The highest and lowest transaction prices of the Company's shares per month for the H Shares on Hong Kong Stock Exchange during the past 12 months and up to the Latest Practicable Date are as follows:

	Per H Share	
	Highest <i>HKD</i>	Lowest <i>HKD</i>
2025		
June	1.64	1.46
July	1.89	1.62
August	2.37	1.67
September	2.76	2.11
October	3.17	2.35

	Per H Share	
	Highest <i>HKD</i>	Lowest <i>HKD</i>
November	2.47	2.10
December	2.42	1.78
2026		
January	2.00	1.75
February	2.04	1.79
March	1.92	1.61
April	1.66	1.54
May	1.63	1.46
June (up to the Latest Practicable Date)	1.53	1.49

6. TAKEOVERS CODE

If the Company's repurchase of shares results in an increase in the percentage of voting rights in the Company held by a shareholder, such increase will be regarded as an acquisition for the purposes of the Takeovers Code. Accordingly, a shareholder or a group of shareholders acting in concert (depending on the extent of the increase in their shareholding) may obtain or consolidate control of the Company, which may trigger a mandatory offer obligation under Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors and for the purposes of the Securities and Futures Ordinance, China Minmetals and its connected persons, including CMGC, collectively held 10,190,955,300 A Shares in the Company (representing approximately 49.25% of the total issued share capital of the Company as at the Latest Practicable Date). If the Board of Directors fully exercises its power to repurchase A Shares and H Shares under the A Share Repurchase Plan and the H Share repurchase mandate (assuming (i) no change in shareholding between the Latest Practicable Date and the repurchase date(s); (ii) the A Share repurchase is calculated based on the maximum repurchase amount of RMB2 billion and an A Share maximum repurchase price of RMB4.9 per A Share under the A Share Repurchase Plan; and (iii) the H Share repurchase is tested based on the upper limit of 10% of the issued H Shares (excluding any treasury shares and H Shares repurchased but not yet cancelled)), the total shareholding of China Minmetals and its connected persons in the Company will increase to approximately 50.96% of the total issued share capital. The Directors are not aware of any consequences arising under the Takeovers Code as a result of any repurchase conducted pursuant to the repurchase mandate.

7. SHARE REPURCHASES BY THE COMPANY

Six months before the Latest Practicable Date, the Company repurchased 32,000,000 H shares and 85,731,626 A shares on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively, with details as follows:

Transaction date	Number of repurchased H shares	Highest price per share (HKD)	Lowest price per share (HKD)
2026-01-26	9,011,000	1.88	1.87
2026-01-27	1,186,000	1.88	1.84
2026-01-28	136,000	1.86	1.86
2026-01-29	787,000	1.93	1.92
2026-01-30	1,652,000	1.94	1.87
2026-02-02	474,000	1.81	1.8
2026-02-03	1,366,000	1.83	1.81
2026-02-04	2,084,000	1.9	1.83
2026-02-05	975,000	1.88	1.84
2026-02-06	685,000	1.85	1.83
2026-02-10	374,000	1.86	1.84
2026-02-11	670,000	1.87	1.84
2026-02-20	237,000	1.88	1.84
2026-05-20	3,000,000	1.52	1.5
2026-05-21	3,250,000	1.55	1.5
2026-05-26	3,291,000	1.54	1.49
2026-05-27	2,822,000	1.53	1.5

Transaction date	Number of repurchased A shares	Highest price per share (RMB)	Lowest price per share (RMB)
2026-01-26	24,793,926	3.25	3.13
2026-01-27	6,461,800	3.20	3.14
2026-01-28	882,600	3.20	3.15
2026-01-30	8,446,700	3.20	3.12
2026-02-03	1,710,600	3.06	3.01
2026-02-04	1,562,000	3.11	3.04
2026-02-05	1,650,200	3.09	3.04
2026-02-06	1,574,000	3.07	3.03
2026-02-10	1,574,000	3.07	3.04
2026-02-11	1,621,700	3.05	3.03
2026-05-20	7,018,300	2.85	2.84
2026-05-21	7,095,400	2.82	2.81
2026-05-25	7,082,400	2.8	2.78
2026-05-26	7,100,600	2.84	2.81
2026-05-27	7,157,400	2.83	2.8

8. GENERAL

Having made all reasonable enquiries, so far as the Directors are aware, in the event the proposed repurchase is implemented, none of the Directors or any of their associates (as defined in the Listing Rules) currently intend to sell any shares to the Company; and no core connected person (as defined in the Listing Rules) has notified the Company that they currently intend to sell any shares to the Company or has undertaken not to sell any shares to the Company.

Where applicable, the Directors will exercise the Company's power to repurchase its H Shares in accordance with the general mandate to the Board of Directors to repurchase H Shares approved by shareholders at the shareholders' meeting, and in compliance with the Listing Rules, applicable laws of PRC, and the Articles of Association.

The Directors confirm that there is nothing unusual in this explanatory letter and the proposed share repurchase.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, as far as the Company was aware, none of the Directors and the chief executive of the Company or their respective associates had the following interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

3. EMPLOYMENT OF DIRECTORS WITH SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, Mr. Li Zhongze, being a Director, is director of CMGC and/or China Minmetals which have an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors confirm that there were no material adverse changes in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Group were made up.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or any of their close associates had interests in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group which would fall to be disclosed under the Listing Rules.

7. OTHER ARRANGEMENTS INVOLVING DIRECTORS

As at the Latest Practicable Date:

- (a) none of the Directors were materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group; and
- (b) none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2025 (the date to which the latest published audited accounts of the Company were made up), (i) acquired or disposed of by, (ii) leased to, (iii) are proposed to be acquired or disposed of by, or (iv) are proposed to be leased to, any member of the Group.

8. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinions or advice which are contained or referred to in this circular:

Name	Qualification
Gram Capital Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, Gram Capital:

- (a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name, in the form and context in which it appears;
- (b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

- (c) did not have any direct or indirect interest in any assets which had been since 31 December 2025 (the date to which the latest published audited accounts of the Company were made up), acquired, disposed of by, or leased to any member of the Group or were proposed to be acquired or disposed of by, or leased to any member of the Group.

9. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection on (i) the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and (ii) the website of the Company (www.mccchina.com) for a period of 14 days from the date of this circular.

- (1) the New Framework Agreement
- (2) the letter from the Independent Financial Adviser, the text of which is set out in this circular
- (3) the letter of consent referred to in the paragraph headed “8. Expert and Consent” in this appendix.

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

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)

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2025 annual general meeting (the “AGM”) of Metallurgical Corporation of China Ltd.* (the “**Company**” or “**MCC**”) will be held at MCC Tower, No. 28 Shuguang Xili, Chaoyang District, Beijing, 100028, the People’s Republic of China, on Monday, 29 June 2026 at 2:00 p.m. to consider and, if thought fit, pass (with or without amendments) the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the proposal in relation to the “Work Report of the Board of MCC for the Year 2025”.
2. To consider and approve the proposal in relation to the report on final accounts of the Company for the year 2025 (as set out in the 2025 annual report of the Company).
3. To consider and approve the proposal in relation to the profit distribution plan of the Company for the year 2025 and the authorization for interim dividend for the year 2026.
4. To consider and approve the proposal in relation to the appointment of the Company’s auditor and internal control auditor for the year 2026.
5. To consider and approve the proposal in relation to the plan of guarantees to be provided by the Company for the year 2026.
6. To consider and approve the proposal in relation to the financial derivatives business plan of the Company for the year 2026.
7. To consider and approve the proposal in relation to the entering into of the New Framework Agreement between the Company and China Minmetals and annual caps of continuing connected transactions for the year 2027.
8. To consider and approve the proposal in relation to the “Management Measures of Remuneration of Directors and Senior Management of MCC” of the Company.
9. To consider and approve the proposal in relation to the emoluments of Directors and Supervisors of the Company for the year 2025.

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

10. To consider and approve the proposal in relation to the proposed remuneration plan of Directors of the Company for the year 2026.
11. To consider and approve the proposal in relation to the bond registration and issuance plan of the Company.

SPECIAL RESOLUTION

12. To consider and approve the resolution on the H share Repurchase General Mandate:

To authorise the Board to repurchase H Shares with the Company's own funds during the Relevant Period, up to a maximum of 10% of the total number of issued H Shares of the Company (excluding any treasury shares and H Shares repurchased but not yet cancelled) as at the date on which the resolution for granting the H share Repurchase General Mandate is considered and approved at the AGM. The total amount spent on such repurchases shall not exceed RMB500 million. The H shares repurchased under this mandate will be completely cancelled, thereby reducing the Company's registered capital.

To authorise the Board to handle all matters related to the H Share repurchase, including but not limited to:

- (i) Selecting the appropriate time to repurchase H Shares during the Relevant Period, including but not limited to determining the specific timing, price and quantity of the H Shares to be repurchased;
- (ii) Processing all relevant approval formalities in accordance with applicable laws, regulations, and normative documents, including but not limited to authorising, executing, amending, and completing all necessary documents, contracts, and agreements related to the H Share repurchase hereunder;
- (iii) Authorising the Board and any person authorised by the Board to make corresponding adjustments to the specific terms of the share repurchase plan and other related matters if there are changes in regulatory policies on share repurchases or market conditions, save for matters that are required by law, administrative regulations or the Articles of Association of the Company to be re-voted on by the shareholders' meeting;

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

- (iv) Cancelling the repurchased H Shares upon completion of the share repurchase in light of the actual repurchase results; notifying creditors and making public announcements regarding the reduction of the Company's registered capital after the shareholders' meeting passes the resolution for the cancellation of the repurchased shares in accordance with the requirements of the Company Law of the People's Republic of China; revising the Articles of Association and other data and documents that may be subject to changes; and processing the formalities for the amendment to the Articles of Association and the change of registered capital of the Company;
- (v) Authorising the Board to decide to continue or terminate the implementation of the H share Repurchase General Mandate based on the Company's actual operations, share price performance and other comprehensive factors, save for matters that are required by law, regulations or the Articles of Association to be re-voted on by the shareholders' meeting;
- (vi) Notifying creditors, communicating with creditors and reaching arrangements for the disposal of debts;
- (vii) Processing other necessary matters in connection with the share repurchase that are not listed above but are essential for the implementation of the share repurchase hereunder in accordance with applicable laws, regulations and the relevant requirements of regulatory authorities.

For the purpose of the H share Repurchase General Mandate, the "Relevant Period" means the period commencing on the date on which the resolution for granting the H share Repurchase General Mandate is passed at the AGM and ending on the earliest of the following dates: (i) The date of convening the 2026 annual general meeting of the Company in 2027; or (ii) The date on which the H share Repurchase General Mandate is revoked or varied by a special resolution of any shareholders' meeting of the Company, whichever occurs earlier.

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

BRIEFINGS

1. To receive the 2025 performance report of the independent non-executive Directors.
2. Report on the proposed remuneration plan for senior management for the year 2026.

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

Beijing, the PRC
5 June 2026

Notes:

- (1) In order to determine the list of shareholders who are entitled to attend the AGM, the registers of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026, both days inclusive, during which period no transfer of shares will be effected. The record date for determining the entitlement of H shareholders to attend and vote at the AGM is Wednesday, 24 June 2026. In order to attend and vote at the AGM, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at or before 4:30 p.m. on Tuesday, 23 June 2026.
- (2) A shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company. Where a shareholder appoints more than one proxy, his proxies may only vote by poll.
- (3) The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorized in writing. If the shareholder is a corporation, that instrument must be either under the seal of the Company or under the hand of its director(s) or duly authorized attorney(s). If that instrument is signed by an attorney of the shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
- (4) In order to be valid, the form of proxy together with the power of attorney or other authorization document (if any) must be deposited at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, for holders of H Shares, and to the Company's office of the Board, for holders of A Shares, not less than 24 hours before the AGM (excluding any public holiday).
- (5) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of the aforementioned matters shall have been received by the Company prior to the commencement of the AGM.

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

- (6) The address and contact details of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, are as follows:

Shops 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990

- (7) The address and contact details of the office of the Board of the Company are as follows:

MCC Tower, No. 28 Shuguang Xili, Chaoyang District, Beijing, 100028, the People’s Republic of China
Tel: (8610) 5986 8666
Fax: (8610) 5986 8999

- (8) In accordance with the Company’s Articles of Association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, attend and exercise all the voting rights attached to such share at the AGM, and this notice shall be deemed to be given to all joint holders of such share.

- (9) The AGM is expected to take less than two hours. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identity documents.

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

* *For identification purposes only*