
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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)

PROPOSED APPROVAL OF VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF TARGET EQUITY INTERESTS IN THE TARGET COMPANIES AND ASSIGNMENT OF THE DEBTS
PROPOSED CONNECTED TRANSACTIONS IN RELATION TO THE CONNECTED GUARANTEES ARISING FROM THE DISPOSALS
PROPOSED APPROVAL OF THE CHANGE OF THE USE OF THE A SHARE PROCEEDS
PROPOSED APPROVAL OF THE CHANGE OF THE USE OF THE H SHARE PROCEEDS
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025

Financial Adviser to the Company



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



A letter from the Board of Directors of the Company is set out on pages 1 to 42 of this circular.

A notice convening the EGM (as defined in this circular) to be held at Beijing Metropark International Hotel, 2 East North Third Ring Road, Chaoyang District, Beijing, the PRC, on Monday, 29 December 2025 at 2 p.m., is set out on pages EGM-1 to EGM-4 of this circular. If you intend to appoint a proxy to attend the EGM, 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 EGM 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 EGM or at any adjourned meeting thereof should you so wish.

If you intend to attend the EGM in person or by proxy, you are required to complete and return the accompanying reply slip to Computershare Hong Kong Investor Services Limited (for holders of H Shares) on or before Sunday, 28 December 2025.

12 December 2025

* For identification purposes only

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DEFINITIONS

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

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

DEFINITIONS

“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Counter-Guarantee”	the counter-guarantee to be provided by China Mimetals or its designated entity in favour of the Company in connection with the Existing Guarantee no later than the date of the Shareholders’ approval of the Disposals
“Debts”	the aggregate debt amount of RMB46,164 million owed by MCC Real Estate to the Company as at the Reference Date, comprise of (i) intercompany loans and interest accrued in the aggregate amount of RMB44,388 million provided by the Company to MCC Real Estate to advance its real estate project development and construction; and (ii) dividends payable by MCC Real Estate to the Company in the aggregate amount of RMB1,776 million, which are to be assigned to Minmetals Land Holdings pursuant to the First Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company, including all executive, non-executive and independent non-executive directors
“Disposals”	the First Disposal and the Second Disposal pursuant to the Sale and Purchase Agreements and the transactions contemplated thereunder (including the Existing Guarantee)
“EGM”	the 2025 first extraordinary general meeting of the Company to be convened and held at Beijing Metropark International Hotel, 2 East North Third Ring Road, Chaoyang District, Beijing, the PRC, on Monday, 29 December 2025 at 2 p.m.
“Existing Guarantee”	the existing guarantee provided by the Company in favour of Shandong Trust on a joint and several liability basis pursuant to the terms and conditions of the Existing Guarantee Agreement with a maximum principal amount not exceeding RMB700 million, details of which are further set out in the announcement of the Company dated 6 June 2024

DEFINITIONS

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

DEFINITIONS

“Independent Board Committee”	the independent board committee of the Company formed to consider the Disposals, the Sale and Purchase Agreement and all the transactions contemplated thereunder, described in this circular, comprising all independent non-executive Directors, namely, Mr. Liu Li, Mr. Ng, Kar Ling Johnny and Ms. Zhou Guoping
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Sale and Purchase Agreements and all the transactions contemplated thereunder described in this circular
“Independent Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Latest Practicable Date”	8 December 2025, 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 Stock Exchange of Hong Kong Limited
“MCC Duddar”	MCC Huaye Duddar Mining Company (Pvt) Limited (中國華冶杜達礦業有限公司*), a company established in Pakistan and a non-wholly owned subsidiary of the Company
“MCC Ramu”	Ramu NiCo Management (MCC) Limited (瑞木鎳鈷管理(中冶)有限公司*), a company established in Papua New Guinea and a wholly-owned subsidiary of the Company
“MCC Real Estate”	MCC Real Estate Group Co., Ltd.* (中冶置業集團有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“MCC Tongsin Resources”	MCC Tongsin Resources Limited (中冶集團銅鋅有限公司*), a company established in the British Virgin Islands and a wholly-owned subsidiary of the Company

DEFINITIONS

“MCC-JJJ Mining”	MCC-JJJ Mining Development Company Limited* (中冶金吉礦業開發有限公司), a company established in the PRC and a non wholly-owned subsidiary of the Company
“Minmetals Land Holdings”	Minmetals Land Holdings Co., Ltd.* (五礦地產控股有限公司), a company established in the PRC and a subsidiary of China Minmetals
“Non-ferrous Engineering”	China Non-ferrous Engineering Co., Ltd.* (中國有色工程有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, but for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Properties”	the properties as shown under the section headed “Summary of Values” in Appendix VI to this circular
“Property Valuer”	Asia-Pacific Consulting and Appraisal Limited, an independent professional valuer engaged by the Company to appraise the properties of MCC Real Estate, Non-ferrous Engineering and MCC Ramu
“Property Valuation Report”	the properties’ valuation report prepared by the Property Valuer
“Purchasers”	the purchasers of the Target Equity Interests under the Sale and Purchase Agreements, namely the China Minmetals and Minmetals Land Holdings (as the case may be)
“Ramu Project”	the Ramu laterite nickel-cobalt mine project in Papua New Guinea
“Remaining Group”	the Company and the remaining subsidiaries of the Group after completion of the Disposals
“Reference Date”	31 July 2025
“Reporting Accountant”	WUYIGE Certified Public Accountants. LLP (大信會計師事務所 (特殊普通合夥)), the reporting accountant of the Company
“RMB”	Renminbi, the lawful currency of the People’s Republic of China

DEFINITIONS

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

DEFINITIONS

“Valuer”	SinoValue Assets Appraisal Co., Ltd.* (中水致遠資產評估有限公司), an independent professional valuer engaged by the Company to appraise the equity interest of the Target Companies and the Debts
“Valuation Reports”	the valuation reports dated 3 and 11 December 2025 prepared and issued by the Valuer in relation to the value of the Target Equity Interests and the Debts of the relevant Target Companies as at 31 July 2025, being the reference date adopted by the Valuer on which the valuation of the Target Companies are made
“Vendors”	the vendors of the Target Equity Interests under the Sale and Purchase Agreements, namely the Company and China Huaye
“Zhongshun Jinda”	Beijing Zhongshun Jinda Trading Co., Ltd.* (北京中順金達貿易有限公司), a wholly owned subsidiary of MCC Real Estate
“%”	per cent

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

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. Chen Jianguang *(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 *(the 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

12 December 2025

To the Shareholders

Dear Sir or Madam

**PROPOSED APPROVAL OF VERY SUBSTANTIAL DISPOSAL AND
CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF
TARGET EQUITY INTERESTS IN THE TARGET COMPANIES
AND ASSIGNMENT OF THE DEBTS
PROPOSED CONNECTED TRANSACTIONS IN RELATION TO
THE CONNECTED GUARANTEES ARISING FROM THE DISPOSALS
PROPOSED APPROVAL OF THE CHANGE OF THE USE OF
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THE H SHARE PROCEEDS
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025**

* *For identification purposes only*

LETTER FROM THE BOARD

The EGM will be held at Beijing Metropark International Hotel, 2 East North Third Ring Road, Chaoyang District, Beijing, the PRC, on Monday, 29 December 2025 at 2 p.m. The notice of the EGM set out in this circular contains details of the resolutions to be proposed at the EGM. The proxy form and reply slip for the EGM are enclosed with this circular.

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

Reference is made to the Company's announcement dated 8 December 2025 in relation to, among other things, the Sale and Purchase Agreements.

A. THE FIRST SALE AND PURCHASE AGREEMENT

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

Date

8 December 2025

Parties

- (1) The Company (as Vendor); and
- (2) Minmetals Land Holdings (as Purchaser)

Subject Matter

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

- (1) the Company agreed to sell, and Minmetals Land Holdings agreed to purchase, the entire equity interest of MCC Real Estate; and
- (2) the Company agreed to assign, and Minmetals Land Holdings agreed to be assigned, the Debts.

LETTER FROM THE BOARD

Consideration

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

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

Basis of the consideration

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

Conditions Precedent

Completion is conditional upon the following:

- (1) the Independent Shareholders of MCC having passed resolutions formally approving the Disposals and the transactions contemplated thereunder the Sale and Purchase Agreements;
- (2) the asset valuation results relating to the First Disposal with the relevant state-owned asset authorities having been duly filed, and the necessary approvals for the economic transaction having been completed;

LETTER FROM THE BOARD

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

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

Transitional Arrangements

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

LETTER FROM THE BOARD

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

Completion

- (1) Completion of the First Disposal shall take place on the fifth (5) day after the date on which the last of the conditions precedent under the First Sale and Purchase Agreement are fulfilled, or such other date as may be mutually agreed between the parties. Upon the date of Completion, ownership of MCC Real Estate shall pass from the Company to Minmetals Land Holdings unless otherwise agreed by the parties.
- (2) With effect from the Handover Date, the Company shall transfer to Minmetals Land Holdings all authority relating to the business operations, management, and personnel appointments of MCC Real Estate. The specific arrangements for such transfer of management rights may be separately agreed by the Company and Minmetals Land Holdings through other arrangements. The Debts shall also be assigned by the Company to Minmetals Land Holdings with effect from the Handover Date.
- (3) For the avoidance of doubts, completion of the First Disposal will be conditional upon, among others, the approval by the Independent Shareholders on the Disposals and the transactions contemplated thereunder the Sale and Purchase Agreements. The timing for completion of each of the disposals under the Sale and Purchase Agreements may vary depending on the fulfilment of the regulatory approvals and other conditions applicable in respect of such disposal.

Liability for Breach

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

LETTER FROM THE BOARD

Termination

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

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

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

LETTER FROM THE BOARD

B. THE SECOND SALE AND PURCHASE AGREEMENT

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

Date

8 December 2025

Parties

- (1) The Company (as a Vendor);
- (2) China Huaye (as a Vendor);
- (3) China Minmetals (as Purchaser)

Subject Matter

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

- (1) the Company agreed to sell, and China Minmetals agreed to purchase, (a) the entire equity interests in each of Non-ferrous Engineering, MCC Tongsin Resources and MCC Ramu; and (b) 67.02% equity interest in MCC-JJJ Mining; and
- (2) China Huaye agreed to sell, and China Minmetals or its designated entity(ies) agreed to purchase, the entire equity interest in MCC Duddar.

Consideration

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

- (1) in respect of the acquisition of the entire equity interest in Non-ferrous Engineering, China Minmetals shall pay RMB10,495.5790 million to the Company;
- (2) in respect of the acquisition of the entire equity interest in MCC Tongsin Resources, China Minmetals shall pay RMB12,240.7206 million to the Company;

LETTER FROM THE BOARD

- (3) in respect of the acquisition of the entire equity interest in MCC Duddar, China Minmetals or its designated entity(ies) shall pay RMB1,656.7205 million to China Huaye, or an equivalent amount in foreign currency calculated based on the exchange rate published by the People's Bank of China on the payment date;
- (4) in respect of the acquisition of 67.02% equity interest in MCC-JJJ Mining, China Minmetals shall pay RMB5,035.7986 million to the Company; and
- (5) in respect of the acquisition of the entire equity interest in MCC Ramu, China Minmetals shall pay RMB10.9139 million to the Company,

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

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

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

Basis of the consideration

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

LETTER FROM THE BOARD

Conditions Precedent

Completion is conditional upon the following:

- (1) any other shareholders of Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar, MCC-JJJ Mining and MCC Ramu (if any) having consented to the transfer of the Target Equity Interests (if applicable) and having waived all pre-emptive or preferential rights in respect of such transfer, including any rights of first refusal;
- (2) the Independent Shareholders of MCC and shareholders of China Huaye having respectively passed resolutions formally approving the First Disposal and the Second Disposal; with respect to MCC Tongsin Resources, MCC Duddar and MCC Ramu only, Completion under the First Sale and Purchase Agreement having been completed or is being completed concurrently;
- (3) the asset valuation results relating to the Second Disposal with the relevant state-owned asset authorities having been duly filed, and the necessary approvals for the economic transaction having been completed;
- (4) the necessary government approvals in respect of the Second Disposal having been obtained; and
- (5) the outstanding debts and interests under the relevant loan agreements owed by the relevant Target Companies and/or their subsidiaries relating to the Second Disposal to the Group having been fully settled.

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

LETTER FROM THE BOARD

Transitional Arrangements

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

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

Completion

- (1) Completion of the Second Disposal shall take place on the fifth day after the date on which the last of the conditions precedent under the Second Sale and Purchase Agreement are fulfilled or waived, or such other date as may be mutually agreed between the parties. Upon the date of Completion, ownership of the relevant Target Equity Interests in the Target Companies under the Second Disposal shall pass from the Vendors to China Minmetals unless otherwise agreed by the parties.
- (2) With effect from the Handover Date, the Vendors shall transfer to China Minmetals all authority relating to the business operations, management, and personnel appointments of the Target Companies under the Second Disposal. The specific arrangements for such transfer of management rights may be separately agreed by the Vendors and China Minmetals through other arrangements.
- (3) For the avoidance of doubts, completion of the Second Disposal will be conditional upon, among others, the approval by the Independent Shareholders on the Disposals and the transactions contemplated thereunder the Sale and Purchase Agreements. The timing for completion of each of the disposals under the Sale and Purchase Agreements may vary depending on the fulfilment of the regulatory approvals and other conditions applicable in respect of such disposal.

LETTER FROM THE BOARD

Liability for Breach

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

Termination

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

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

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

LETTER FROM THE BOARD

C. Valuation of the Target Companies

Based on the Valuation Reports which are set out in Appendices V-A to V-J to this circular, the valuation of the Target Equity Interests of the Target Companies and the Debts as at the Reference Date was approximately RMB60,676 million. Set out below are the value of the entire equity interests of the Target Companies and the Debts as at the Reference Date, the value of Target Equity Interests and the Debts as represented by the Valuation, and the consideration for the Target Equity Interests and the Debts:

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

LETTER FROM THE BOARD

The valuation was conducted by the Valuer using (i) the asset-based approach in respect of the portfolio of the underlying assets of MCC Real Estate (constituting the entire equity interest of MCC Real Estate and the Debts as a whole), and the income approach in respect of the entire equity interest of MCC Real Estate; (ii) the asset-based approach in respect of Non-Ferrous Engineering, MCC Duddar, MCC-JJJ Mining and MCC Ramu; and (iii) the income approach in respect of MCC Tongsin Resources. Each of the Valuation Reports have been prepared in accordance with various requirements/standards as issued by the Ministry of Finance of the PRC. For details, please refer to Appendices V-A to V-J to this circular. There are three basic valuation methods, namely the market approach, income approach and asset-based approach.

Pursuant to the Valuation Reports, the Valuer is of the view that the market approach is not applicable to the valuation of the Target Companies. Market approach evaluates the current fair market value of an asset using comparable items in the market. However, due to significant differences in business structure, operating model, scale, asset allocation and usage, growth stage, growth potential, operating risk, and financial risk among listed companies in the same industry, and the lack of recent comparable transactions, acquisitions, and mergers, as well as limited access to transaction information in the domestic property rights market, it is difficult to obtain reliable and comparable transaction data. Therefore, the market approach is not applicable for the valuation of the Target Companies.

Despite that both asset-based approach and income approach are applicable to the valuation of Non-ferrous Engineering, MCC Duddar and MCC-JJJ Mining, the Valuer having considered that the estimation of revenue, costs, expenses, working capitals and capital expenditures that affect the subject companies future cash flows may be subject to subjective managements, judgements, although historical financial information are available for the Valuer to objectively assess the reasonableness of the assumptions used, it is difficult to achieve a strict and stable proportion of various expenditures to accurately forecast the future cash flows of the subject companies, hence the Valuer concluded the valuation of Non-ferrous Engineering, MCC Duddar and MCC-JJJ Mining using asset-based approach. Specifically, the asset-based approach was considered to be the most appropriate one adopted for the following reasons: (i) Non-ferrous Engineering: The principal income of Non-ferrous Engineering entity derives from its property rental. The asset-based approach applies the market comparison method to the properties, which better captures their market value as compared to the income approach; (ii) MCC Duddar: The core assets of MCC Duddar are its mining rights, which have been reasonably assessed with reference to mining rights valuation parameters and taking into account future income prospects. Accordingly, as compared to the income approach, the asset-based approach was considered to be more appropriate as it more accurately and directly reflects the value of the core assets of MCC Duddar; (iii) MCC-JJJ Mining: MCC-JJJ Mining entity's principal business consists of commodity trading with its subsidiaries and its business scope is relatively narrow, hence the asset-based approach

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was considered more appropriate. Considering that MCC Ramu is the project management company in charge of the construction, development and operations of the Ramu Project and does not enjoy any economic benefits arising from the Ramu Project, the income approach is not applicable. Accordingly, the Valuer has adopted the asset-based approach as the final valuation conclusion for MCC Ramu.

The income approach was considered to be the most appropriate one adopted by the Valuer for the valuation of MCC Real Estate and MCC Tongsin Resources as both entities serve as holding companies bearing management costs that cannot be allocated to their subsidiaries. Such management costs are difficult to capture under the asset-based approach. Therefore, the income approach was considered more appropriate by the Valuer for their valuation.

The valuation of the entire equity interests of MCC Real Estate and MCC Tongsin Resources as at 31 July 2025 assessed in each of the valuation report of MCC Real Estate and MCC Tongsin Resources was prepared using the discounted cash flow method under income-based approach and under certain assumptions. As such, such valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules. Based on the forecast data of the appraised entities, a cash flow forecast subsequent to the Reference Date was prepared by the Valuer and a discount rate of 6.84% and 8.34% was adopted respectively for the appraisal of MCC Real Estate and MCC Tongsin Resources, taking into account the valuation parameters set out in Appendix V-B and Appendix V-F to this circular.

In respect to the valuation of MCC Real Estate, the Valuer has prepared the financial projection for the period covering the remaining five months since the Reference Date and the five-full years ending 31 December 2030. As MCC Real Estate entity is a management platform company which has no restriction on the term of operation, and it is assumed that MCC Real Estate is able to continue as a going concern, the Valuer had accounted for the future cash flows of MCC Real Estate beyond the forecast period with no terminal growth rates. MCC Real Estate entity had not generated any operating income from its principal business (i.e. revenue from property development) historically. The management of MCC Real Estate estimated that it will not generate any operating income from its principal business and thus will not incur any corresponding operating costs during the forecast period. MCC Real Estate entity had historically generated investment income from its investee companies. As the appraisal value of its investee companies were valued under the excess and non-operating assets and liabilities, no estimated investment income from the investee companies was ascribed to MCC Real Estate during the forecast period.

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Having arrived at the discounted free cash flows of MCC Real Estate entity, the Valuer had added the value of the excess and non-operating assets and liabilities of MCC Real Estate (including long-term equity investments in investee companies) and subtracted the value of its interest-bearing liabilities to arrive at the equity value of MCC Real Estate. For details, please refer to Appendices V-A to V-B to this circular.

In respect to the valuation of MCC Tongsin Resources, the Valuer has prepared the financial projection for the period covering the remaining five months since the Reference Date and the five-full years years ending 31 December 2030. As MCC Tongsin Resources entity is a management platform company which has no restriction on the term of operation, and it is assumed that MCC Tongsin Resources is able to continue as a going concern, the Valuer had accounted for the future cash flows of MCC Tongsin Resources entity beyond the forecast period with no terminal growth rates. MCC Tongsin Resources entity had historically generated investment income from its investee companies. As the appraisal value of its investee companies were valued under the excess and non-operating assets and liabilities, no estimated investment income from the investee companies was ascribed to MCC Tongsin Resources during the forecast period. The cash flow projection was formulated after taking into account the forecasted profit or loss of MCC Tongsin Resources, the non-cash expenses and the working capital changes of MCC Tongsin Resources.

Having arrived at the discounted free cash flows of MCC Tongsin Resources, the Valuer had added the value of the excess and non-operating assets and liabilities of MCC Tongsin Resources (including long-term equity investments in investee companies) and subtracted the value of its interest-bearing liabilities to arrive at the equity value of MCC Tongsin Resources. From the Valuation Report of MCC Tongsin Resources, it has eight investee companies that are accounted for as long-term equity investments, and their appraisal values were approximately RMB11 billion in aggregate, representing an appreciation of approximately RMB8 billion as compared to their book value of approximately RMB3 billion in aggregate. The appreciation in the value of the long-term equity investments was primarily attributable to the rise in the overseas copper mining companies' projected profitability (which led to significant growth in their corporate value) as a result of the sustained increase in international copper prices in recent years. The increase in the appraisal value of these investee companies primarily due to its intangible assets (i.e. the mining rights held by the investee companies in respect of the overseas mining projects) of approximately RMB8 billion in aggregate. The discount rates of the aforementioned intangible assets, which represent the accumulated risks associated with the operation of these mines, was determined based on the risk aggregation method. For details, please refer to Appendices V-E to V-F to this circular.

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

General assumptions

- (1) Transaction assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuation professionals estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
- (2) Public Market Assumption: The public market assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. A public market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.
- (3) Asset Continuity of Use Assumption: The continuity of use assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it is assumed that the evaluated assets are in a status of use. Secondly, it is assumed that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered. Thus, the valuation results are subject to a restricted scope of applicability.
- (4) Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the appraised equity interest can continue to be based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

Special assumptions

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

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- (2) It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
- (3) It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
- (4) It is assumed that the various business-related licenses and qualifications of the appraised entity will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
- (5) It is assumed that the appraised entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
- (6) It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.
- (7) It is assumed that the accounting policies adopted by the appraised entity after the valuation date will remain consistent, in all material respects, with those used in preparing the Valuation Report.
- (8) It is assumed that, after the valuation date, the business scope and mode of the appraised entity will remain consistent with the current status, based on the existing management methods and management levels.
- (9) It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
- (10) With respect to the valuation of the equity interests of MCC Real Estate only, the real estate development project of MCC Real Estate is based on a finite-term business premise. Such valuation assumption applied to the enterprise as a whole asset. It is assumed that as an operation entity, the enterprise will continue to operate under its current objectives and external environment without initiating new real estate projects, and will liquidate and cease operations upon completion of its existing real estate project portfolio.
- (11) With respect to the Valuation Report of MCC Tongsin Resources only, it is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.

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- (12) With respect to the valuation of the equity interests of MCC Real Estate only, the valuation scope is based on the range of assets provided by the appraised entity. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in the valuation.
- (13) It is assumed that all foundational information and financial data provided by the appraised entity are true, accurate, and complete.

The Directors have reviewed, discussed and concurred with the Valuer that the valuation approaches and methodologies adopted are appropriate, details of which are set out in Appendices V-A to V-J to this circular.

Confirmations

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

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

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

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

LETTER FROM THE BOARD

Valuation in respect of the Properties interest of MCC Real Estate, Non-ferrous Engineering and MCC Ramu

Pursuant to Rule 5.03 of the Listing Rules, a separate valuation has also been conducted in respect of the property interest of MCC Real Estate, Non-ferrous Engineering and MCC Ramu. The Company has engaged the Property Valuer to appraise the value of the Properties. For details, please refer to the Property Valuation Report as set out in Appendix VI to this circular.

Disclosure of the reconciliation of the net book value of the Properties and the valuation as required under Rule 5.07 of the Listing Rules is set out below:

	<i>RMB (million)</i>
Net book value of the Properties as at 31 December 2024	63,164
Valuation change as at 30 September 2025	(10,918)
Valuation of the Properties as at 30 September 2025 as set out in the Property Valuation Report included in Appendix VI to this circular	<u>52,246</u>

D. INFORMATION OF THE PARTIES

(1) The Group

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

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

(2) The Purchasers

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

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

(3) The Target Companies

MCC Real Estate

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

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

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

LETTER FROM THE BOARD

Due to factors such as the lengthening of project sell-through cycles and the decline in the fair value of projects, there was a decline in revenue of MCC Real Estate from approximately RMB16,289 million for the year ended 31 December 2022 to approximately RMB2,972 million for the seven months ended 31 July 2025, and decline in net profits of approximately RMB9 million for the year ended 31 December 2022 to net losses of approximately RMB25,438 million for the seven months ended 31 July 2025; the net asset value of MCC Real Estate also deteriorated from approximately RMB12,600 million as at 31 December 2022 to the net liabilities of approximately RMB16,276 million as at 31 July 2025.

The impact of broader market conditions has placed continued pressure on the sales prices of MCC Real Estates' real estate projects, thereby adversely affecting its financial performance and resulting in operating losses in recent years. Taking into account factors such as the current status of the real estate projects, development type, location conditions, prevailing market environment in the relevant regions, market prices of comparable surrounding projects, sales absorption cycle, and changes in market expectations, in respect to the Valuation of the entire equity interest and the Debts of MCC Real Estate (with the appraised value of approximately RMB31,237 million, details of which are set out in Appendices V-A and V-B to this circular) and audit, adjustments were made to the book value of the assets; specifically, for assets such as real estate inventory, fixed assets, and investment properties, impairment provisions were primarily determined by comparing the appraised value with the original book value; for debt assets, impairment provisions were determined through impairment testing in accordance with accounting standards. Following such adjustments, the net asset value attributable to the parent of MCC Real Estate decreased from approximately RMB6,041 million as at 30 June 2025 to net liabilities attributable to the parent of MCC Real Estate of approximately RMB17,443 million as at 31 July 2025.

LETTER FROM THE BOARD

From Appendix V-A, the appraised value of the Company's equity interest in MCC Real Estate depreciated by approximately RMB25.7 billion compared to its book value, primarily due to the impairment of equity interests directly held by MCC Real Estate in its investee real estate project companies. The principal business of the aforementioned investee real estate project companies is property development and operations. Due to factors including the relatively high land acquisition costs incurred in earlier periods and the recent decline in property market prices and rental income, the aggregate appraised value of the equity interests in the aforementioned investee companies, as assessed using the asset-based approach, were depreciated of approximately RMB20 billion as compared to their aggregate book value, comprising: (i) the substantial decrease in appraisal values of these investee companies' inventories (mainly property projects which comprised of development costs for properties under development and developed properties) of approximately RMB15 billion in aggregate; and (ii) the decrease in appraisal values of fixed assets, investment properties and prepayments of approximately RMB3 billion in aggregate.

Non-ferrous Engineering

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

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

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

LETTER FROM THE BOARD

The consolidated net asset value of Non-ferrous Engineering as at 31 July 2025 was approximately RMB4,771 million. Notwithstanding that the net book value of Non-ferrous Engineering as at 31 July 2025 was approximately RMB4,654 million, Non-ferrous Engineering was valued at approximately RMB10,496 million (representing a premium of approximately RMB5,842 million) as at the Reference Date under the Valuation Report of Non-ferrous Engineering. The main reasons for the difference are: (a) the long-term equity investments were appraised approximately RMB3,100 million higher than the book value, primarily attributable to its investee company, China ENFI Engineering Co., Ltd. (“**China ENFI**”). China ENFI is a leading enterprise in the domestic non-ferrous metallurgical engineering industry with competitive advantages in technical strength and project experience that underpin its long-term returns. At the same time, demand in the overseas non-ferrous metals and mining industry has shown a growth trend in recent years, and China ENFI has accordingly strengthened its overseas presence, with its overseas market gradually expanding to provide additional support for performance growth. The Valuer adopted the discounted cash flow method under the income approach to value China ENFI, further details of which are set out in Appendix V-D to this circular; and (b) the investment properties and buildings were respectively appraised approximately RMB2,396 million and RMB606 million higher than the book value, primarily because the relevant properties and buildings were acquired at an earlier date and since then, the land prices, construction costs and prevailing market values having increased significantly.

MCC Tongsin Resources

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

LETTER FROM THE BOARD

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

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

Since 2023, MCC Tongsin Resources has achieved steady growth in its performance, primarily driven by the external factor of rising international copper prices. However, future copper price movements remain uncertain, and MCC Tongsin Resources' performance is expected to be affected by fluctuations in the commodity market.

The consolidated net asset value of MCC Tongsin Resources as at 31 July 2025 was approximately RMB5,098 million.

MCC Duddar

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

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

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

LETTER FROM THE BOARD

The net asset value of MCC Duddar declined from approximately RMB433 million as at 31 December 2023 to approximately RMB186 million as at 31 July 2025, which mainly reflects an increase of RMB292 million in net assets generated from operating accumulation during the period from 2024 to the first half of 2025, which was then offset by a cumulative distribution of profits to shareholders amounting to RMB538 million over the same period.

Notwithstanding the net book value of MCC Duddar as at 31 July 2025 was approximately RMB186 million, MCC Duddar was valued at approximately RMB1,657 million (representing a premium of approximately RMB1,471 million) as at the Reference Date under the Valuation Report of MCC Duddar. The main reasons for the difference are: (a) the intangible assets were appraised approximately RMB937 million higher than the book value, primarily comprising the mining rights of the Duddar lead-zinc mine held by MCC Duddar. The mining rights were valued by the Valuer adopting the discounted cash flow method under the income approach, having taking into account the impact of the expected expansion of mining capacity, which is expected to drive down average unit costs and thereby enhance overall returns, resulting in the appraised value of the mining rights exceeding the book value. The Valuer has prepared the financial projection for the period covering the remaining five months since the Reference Date to December 2053 with the applicable discount rate of the mining rights set at 10.44%, which represent the accumulated risks associated with the operation of these mines and was determined based on the risk aggregation method. Based on the mine development and utilisation plan, the estimated revenue is determined by calculating the metal content of different types of concentrates to be mined during the production period, with prices established by reference to the average LME lead, LME zinc, and LBMA silver prices over the past five years after deducting market-average processing charges, and revenue derived from the aggregate of metal content multiplied by concentrate prices; while the estimated production costs and expenses were formulated with reference to relevant historical figures and the feasibility study report on the Duddar lead-zinc mine; (b) the fixed assets were appraised approximately RMB510 million higher than the book value, which is mainly due to (i) the buildings having been constructed at an earlier date, with current material, labour, and machinery costs at the Reference Date being higher than at the time of construction; (ii) increasing material and labour costs driving up equipment prices; and (iii) there being reasonable differences between MCC Duddar's accounting estimates of depreciation periods and the actual efficiency of asset use, leading to higher effective asset conditions; and (c) the inventories were appraised approximately RMB72 million higher than the book value, which is mainly due to finished products (zinc concentrate and lead concentrate) and work-in-progress (raw ore) being recorded at historical cost, while the appraised value reflects market value at the Reference Date (net of taxes and profit), which exceeds historical cost.

LETTER FROM THE BOARD

MCC-JJJ Mining

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

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

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

Affected by the prolonged weakness in the international nickel market, the sales price of the MCC-JJJ Mining's principal product, MHP, has shown a marked downward trend over the past three years. The LME nickel spot settlement price fell from USD26,100 per tonne in 2022 to USD21,500 per tonne in 2023, and further to USD16,800 per tonne in 2024, representing a cumulative decline of more than 30%. As a resource-based enterprise fully driven by international nickel prices, MCC-JJJ Mining's product pricing is highly correlated with LME nickel prices. The sustained decline in nickel prices directly resulted in lower product sales prices and reduced operating revenue. At the same time, gross profit margins per unit product were significantly compressed, leading to a corresponding decline in overall profitability and considerable volatility in operating performance. As a result of which, the consolidated revenue and net profits of MCC-JJJ Mining declined from approximately RMB4,746 million in 2022 to RMB1,608 million and from approximately RMB1,267 million to RMB230 million approximately, respectively, for the seven months ended 31 July 2025.

LETTER FROM THE BOARD

Although MCC-JJJ Mining experienced a decline in revenue during the period from 2022 to July 2025 due to falling nickel prices, it maintained positive net profit throughout the period. This sustained profitability has in turn supported the steady growth of MCC-JJJ Mining's net assets, with net asset value increasing from RMB1,816 million as at 31 December 2022 to approximately RMB3,598 million as at 31 July 2025.

Notwithstanding the net book value of MCC-JJJ Mining as at 31 July 2025 was approximately RMB2,650 million, MCC-JJJ Mining was valued at approximately RMB7,514 million (representing a premium of approximately RMB4,864 million) as at the Reference Date under the Valuation Report of MCC-JJJ Mining. The main reason for the difference is due to the long-term equity investments being appraised approximately RMB4,863 million higher than the book value, primarily attributable to its investee company, MCC Ramu NiCo Limited ("**Ramu NiCo**"). The appraised value of Ramu NiCo is primarily derived from the substantial future economic benefits arising from its operating rights over the asset group under the Ramu Project. Taking into account key factors such as the Ramu Project's resource endowment, technological advantages, production capacity and overall industry conditions, and following a reasonable valuation assessment, the equity value of Ramu NiCo reflects an appraisal appreciation. The Valuer adopted the discounted cash flow method under the income approach to value Ramu NiCo, further details are set out in Appendix V-I to this circular.

MCC Ramu

MCC Ramu is a company established in Papua New Guinea. As at the Latest Practicable Date, MCC Ramu is a wholly owned subsidiary of the Company.

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

The net asset value of MCC Ramu as at 31 July 2025 was approximately RMB2,600. Pursuant to the the Valuation Report of MCC Ramu, MCC Ramu was valued at approximately RMB11 million (representing a premium of approximately RMB11 million) as at the Reference Date. The main reason for the difference is due to the buildings being appraised approximately RMB11 million higher than the book value, mainly attributable to rising local real estate prices.

LETTER FROM THE BOARD

E. FINANCIAL EFFECTS OF THE DISPOSALS

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

As set out in the unaudited pro forma financial information of the Remaining Group as shown in Appendix III to this circular, subject to Completion taking place on 30 June 2025 and other assumptions set out therein, upon completion of the Disposals, the unaudited total assets and the total liabilities of the Group will be decreased by approximately RMB33,195 million and RMB26,819 million, respectively, for the six months ended 30 June 2025.

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

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

For details, please see Note 5 of Appendix III to this circular in which the unaudited pro forma financial information of the Group for the purpose of illustrating the effects of the Disposals are set out. The actual figures will be subject to audit by the auditors of the Company and therefore may be different from the aforementioned amount.

LETTER FROM THE BOARD

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

- (i) Approximately 75% to support the Group's diversified business system of "One Core, Two Main Bodies and Five Features", where proceeds shall be applied towards strengthening (a) the Group's metallurgical construction business as the "Core"; (b) new industrialisation and new urbanisation as the "Main Bodies"; and (c) construction services, new materials, high-end equipment environmental protection and intelligent application businesses as the "Features". The Company will allocate the funds according to the actual progress and financial needs of the individual projects and make capital injection into its relevant subsidiaries to provide them with the necessary capital to implement the following intended use of proceeds:
 - (a) The Group intends to strengthen its core metallurgical construction business, where funds will primarily be directed towards building advanced research platforms, upgrading equipment manufacturing, and enhancing the overall research system, with the objective of reinforcing the Group's leadership in its core metallurgical construction business. In particular, the Group intends to (i) further invest in national key laboratories to better integrate research with its engineering capabilities and accelerate optimisation of its national industrial technology engineering centres; (ii) apply funds towards upgrading equipment manufacturing, including hydrogen-based direct reduction smelting technology and ultra-thick zinc-aluminum-magnesium coating technology, with the objective of achieving international benchmarks in energy efficiency; and (iii) enhance its overall research system through the development of new technologies that help the steel industry reduce pollution and carbon emissions through smarter "quality-energy-carbon" management systems.

LETTER FROM THE BOARD

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

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

LETTER FROM THE BOARD

- (c) The Group further intends to apply the proceeds towards the development of its construction services, new materials, high-end equipment, energy and environmental protection and intelligent application businesses. In particular, the Group intends to: (i) for construction services, to focus on developing a comprehensive consulting, project management, inspection and monitoring services for ferrous metallurgical construction; (ii) for new materials, to accelerate the industrialisation of high-performance specialty metals, invest in functional copper-based materials and advance refractory carbon bricks and world-class carbon materials; (iii) for high-end equipment, to research and develop specialised equipment such as smart welding robots, automated piling machines, and robotic arms for modular construction; (iv) for energy and environmental protection, to further develop industrial energy-saving and resource recycling technologies, while expanding into urban environmental infrastructure by investing in wastewater treatment, sludge resource utilisation, and solid waste management, building integrated solutions; and (v) for intelligent application, to further invest in industrial software and digital platforms, focusing on integrated monitoring technologies and AI-driven solutions and to build models and simulation software for its metallurgical processes to enable dynamic data analysis, automated monitoring, and compliance support for its operations; and
- (ii) Approximately 25% will be used to supplement the working capital of the Remaining Group and repay its existing indebtedness, with a view to optimising its financial structure and reducing financial leverage and debt burden.

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

F. REASONS AND BENEFITS OF THE DISPOSALS

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

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

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

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

LETTER FROM THE BOARD

(a) Real estate property development segment

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

(b) Mineral resources development business segment

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

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

(2) Strategic rationale for the Disposals

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

LETTER FROM THE BOARD

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

In response to industry challenges and segment-specific risks facing the Group, the proposed divestment represents a prudent strategic initiative of the Group, aligning with national policy and industry trends. It will enable the Group to streamline its business structure, concentrate resources on its principal operations and enhance its long-term competitiveness and profitability. This approach is aimed at reinforcing the Group's professional advantages and system integration capabilities in metallurgical engineering, ensuring that resources are concentrated on core functions.

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

Following the divestment of non-core businesses, the Group's management will be able to concentrate its attention, managerial resources, and R&D investment on its principal business of metallurgical engineering. This will also accelerate the industrialisation of technological achievements and the development of strategic featured industries, without materially affecting the Group's continuing operations.

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

LETTER FROM THE BOARD

(b) Enhancing synergies with the China Minmetals Group

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

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

(c) Enhancing operational efficiency and capital returns

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

LETTER FROM THE BOARD

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

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

(d) Mitigating existing risks

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

LETTER FROM THE BOARD

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

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

LISTING RULES IMPLICATIONS

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

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

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

LETTER FROM THE BOARD

The Independent Board Committee comprising all the independent non-executive Directors has been established to consider the Disposals and give a recommendation to the Independent Shareholders in respect of the Sale and Purchase Agreements and the transactions contemplated thereunder, and to advise the Independent Shareholders on how to vote of the relevant resolution at the EGM. A letter from the Independent Board Committee is set out on pages 43 to 44 of this circular. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard. A letter from the Independent Financial Adviser is set out on pages 45 to 91 of this circular.

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

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

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

LETTER FROM THE BOARD

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

LISTING RULES IMPLICATIONS

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

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

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

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

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

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

LETTER FROM THE BOARD

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

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

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

EGM

A form of proxy and reply slip applicable for the EGM are enclosed with this circular.

Any H Shareholders, whose names appear on the Company's register of members at the close of business on Wednesday, 24 December 2025, are entitled to attend and vote at the EGM after completing the registration procedures for attending and voting at the EGM. All completed transfer documents together with the relevant share certificate(s) must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 24 December 2025 for registration. Details of the EGM are set out in the notice dated 12 December 2025.

If you intend to appoint a proxy to attend the EGM, 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 (for holders of H Share(s)), not less than 24 hours before the time appointed for holding of the EGM (excluding any public holiday). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

For information purpose, holders of H Share(s) who intend to attend the EGM in person or by proxy shall complete and return the reply slip 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, on or before Sunday, 28 December 2025 by hand, by post or by fax (fax number: (852) 2865 0990).

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 of the EGM 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 EGM.

RECOMMENDATION

The Independent Board Committee has been established by the Company to advise the Independent Shareholders in respect of the Disposals.

Gram Capital 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 45 to 91 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 terms of the Sale and Purchase Agreements and the transactions contemplated thereunder 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 EGM to approve the Sale and Purchase Agreements and the transactions contemplated thereunder.

LETTER FROM THE BOARD

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 is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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.*

Chen Jianguang

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)

12 December 2025

To the Independent Shareholders

Dear Sir or Madam

**PROPOSED APPROVAL OF VERY SUBSTANTIAL DISPOSAL AND
CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF
TARGET EQUITY INTERESTS IN THE TARGET COMPANIES
AND ASSIGNMENT OF THE DEBTS**

We refer to the circular issued by the Company to the Shareholders and dated 12 December 2025 (“**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.

As the highest applicable percentage ratio (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Disposals is more than 75%, the Disposals constitute a very substantial disposal transaction of the Company under Rule 14.06 of the Listing Rules. In addition, China Minmetals, being the controlling shareholder of the Company, and Minmetals Land Holdings, being a subsidiary of China Minmetals, are connected persons of the Company. Pursuant to the Listing Rules, the Sale and Purchase Agreements and the transactions contemplated thereunder constitute connected transactions for the Company and are subject to the reporting, announcement, circular and Independent Shareholders’ approval requirements under Chapter 14A the Listing Rules.

We have been appointed by the Board as the Independent Board Committee to consider the terms of the Sale and Purchase Agreements and the transactions contemplated thereunder and to advise the Independent Shareholders as to whether, in our opinion, the terms of the Sale and Purchase Agreements and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable; and whether the Sale and Purchase Agreements and the transactions contemplated thereunder are conducted 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. Gram Capital Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We wish to draw your attention to the letter from the Board and the letter from the Independent Financial Adviser as set out in the Circular. Having considered the principal factors and reasons considered by, and the advice of, the Independent Financial Adviser as set out in its letter of advice, we consider that (i) the terms and conditions of the Sale and Purchase Agreements and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable; and (ii) although the Sale and Purchase Agreements and the transactions contemplated thereunder are not conducted in the ordinary and usual course of business of the Group, the Sale and Purchase Agreements and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole. Accordingly, we would recommend the Independent Shareholders to vote in favour of the ordinary resolution to approve the Sale and Purchase Agreements and the transactions contemplated thereunder at the EGM.

Yours faithfully

For and on behalf of

Independent Board Committee

Mr. Liu Li

Mr. Ng, Kar Ling Johnny

Ms. Zhou Guoping

Independent non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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 Sale and Purchase Agreements and the transactions contemplated thereunder 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

12 December 2025

*To: The independent board committee and the independent shareholders
of Metallurgical Corporation of China Ltd.**

Dear Sir/Madam,

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

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 Agreements and the transactions contemplated thereunder (i.e. the Disposals), details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 12 December 2025 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 8 December 2025, the Vendors and the Purchasers entered into the Sale and Purchase Agreements, pursuant to which (i) the Company proposes to sell the entire equity interest of MCC Real Estate and assign the Debts to Minmetals Land Holdings; and (ii) the Company proposes to sell (a) the entire equity interest in each of Non-ferrous Engineering, MCC Tongsin Resources and MCC Ramu; and (b) 67.02% entire equity interest in MCC-JJJ Mining to China Minmetals, and China Huaye proposes to sell, the entire equity interest in MCC Duddar to China Minmetals or its designated entity(ies), at the consideration of RMB60,676.3224 million, which shall be settled in cash by the Purchasers. After completion of the Disposals, each of the Target Companies will cease to be subsidiaries of the Company and the financial results of each of the Target Companies will no longer be consolidated into the financial statements of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

With reference to the Board Letter, the Disposals constitute very substantial disposal and connected transactions and are subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 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 Sale and Purchase Agreements and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable; (ii) whether the Sale and Purchase Agreements and the transactions contemplated thereunder 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(s) to approve the Sale and Purchase Agreements and the transactions contemplated thereunder at the EGM. 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 (i) the Company's continuing connected transaction, details of which are set out in the Company's circular dated 3 June 2024; and (ii) the Company's continuing connected transaction, details of which are set out in the Company's circular dated 6 June 2025. 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.

LETTER FROM 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 Disposals. 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.

We have not made an independent evaluation or appraisal of the assets and liabilities of the Group or the Target Companies (including the Debts) and we have not been furnished with any such evaluation or appraisal, save as and except for the Valuation Reports prepared by the Valuer in relation to the value of the entire equity interests of the Target Companies and the Debts (the “**Valuation**”) as at 31 July 2025 (i.e. the Reference Date). Since we are not experts in the valuation of assets or businesses, we have relied solely upon the Valuation Reports.

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 is 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.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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 Huaye, the Purchasers, the Target Companies or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Disposals. 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 Disposals, 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 building, two most, five strong”, being the goals established by the Company to creating a world-class enterprise with global competitiveness as the guiding principle; building the best full-service solution provider for metallurgical construction and operation with super core competitiveness, being the most reliable general contractor in infrastructure with global reputation and domestic leading position as its target, in order to become a world-class investment and construction group distinguished by its strong value creation ability, market competitiveness, innovative capabilities, resource allocation efficiency and cultural soft power. The Group ranked 7th in ENR’s “Top 250 Global Contractors” in 2025.

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

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Financial performance

Set out below is the consolidated financial information of the Group for the three years ended 31 December 2024 and the six months ended 30 June 2025 (together with comparative figures), as extracted from (i) the Company's annual report for the year ended 31 December 2023 (the "2023 Annual Report"); (ii) the Company's annual report for the year ended 31 December 2024 (the "2024 Annual Report"); and (iii) the Company's interim report for the six months ended 30 June 2025 (the "2025 Interim Report"):

	For the year ended 31 December 2022 ("FY2022") RMB'000 (audited)	For the year ended 31 December 2023 ("FY2023") RMB'000 (audited)	For the year ended 31 December 2024 ("FY2024") RMB'000 (audited)	For the six months ended 30 June 2024 ("1H2024") RMB'000 (unaudited)	For the six months ended 30 June 2025 ("1H2025") RMB'000 (unaudited)
Total operating revenue	592,669,072	633,870,422	552,024,638	298,841,527	237,532,712
– Engineering contracting	531,207,159	580,845,638	497,960,377	275,436,672	215,749,172
– Featured business	38,442,883				
	(Note)	36,194,504	35,132,876	18,222,536	16,873,613
– Comprehensive real estate	22,710,702	16,497,535	18,604,748	5,022,758	4,790,806
– Others	308,328	332,745	326,637	159,561	119,121
Net profit	12,931,630	11,406,109	7,904,332	4,700,632	4,072,992

Note: the figure represents revenue from the Group's resource development segment and the Group's featured business as presented in the 2023 Annual Report, which was later consolidated as "featured business" presented in the 2024 Annual Report

Comparison between FY2022 and FY2023

The Group's total operating revenue increased by approximately 6.95% from approximately RMB592.7 billion for FY2022 to approximately RMB633.9 billion for FY2023. With reference to the 2023 Annual Report, the increase in the Group's total operating revenue was mainly due to the increase in revenue generating from engineering contracting from approximately RMB531.2 billion for FY2022 to approximately RMB580.8 billion for FY2023. The Group generated majority of its revenue from engineering contracting, which accounted for approximately 89.63% and 91.63% of the Group's total operating revenue for FY2022 and FY2023 respectively.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Despite the aforesaid increase in the Group's total operating revenue, the Group's net profit decreased from approximately RMB12.9 billion for FY2022 to approximately RMB11.4 billion for FY2023, representing a decrease of approximately 11.80%. With reference to the 2023 Annual Report, such decrease was mainly due to the increase in (i) selling expenses; (ii) administrative expenses; (iii) research and development expenses; (iv) credit impairment losses; and (v) impairment losses of assets.

Comparison between FY2023 and FY2024

The Group's total operating revenue decreased by approximately 12.91% from approximately RMB633.9 billion for FY2023 to approximately RMB552.0 billion for FY2024. With reference to the 2024 Annual Report, the decrease in the Group's total operating revenue was mainly due to external factors such as the continuous decline in demand in the iron and steel industry and sluggish growth in the construction industry, coupled with the periodic factors such as the business structure adjustment brought about by the Group's transformation and upgrading.

Along with the aforesaid decrease in the Group's total operating revenue and the increase in credit impairment losses, the Group's net profit decreased by approximately 30.70% from approximately RMB11.4 billion for FY2023 to approximately RMB7.9 billion for FY2024.

Comparison between 1H2024 and 1H2025

The Group's revenue decreased by approximately 20.52% from approximately RMB298.8 billion for 1H2024 to approximately RMB237.5 billion for 1H2025. With reference to the 2025 Interim Report, such decrease was mainly due to the sluggish growth in the construction industry and the decrease in revenue from the engineering construction segment.

Along with the aforesaid decrease in revenue and the corresponding decrease in operating profit, and the increase in income tax expenses, the Group's net profit decreased by approximately 13.35% from approximately RMB4.7 billion for 1H2024 to approximately RMB4.1 billion for 1H2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Financial Position

Set out below is the consolidated financial position of the Group as at each of 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, as extracted from the 2023 Annual Report, 2024 Annual Report and 2025 Interim Report:

	As at 31 December 2022 RMB'000 (audited)	As at 31 December 2023 RMB'000 (audited)	As at 31 December 2024 RMB'000 (audited)	As at 30 June 2025 RMB'000 (unaudited)
Total assets	585,392,827	661,602,236	808,015,755	857,406,039
– Cash and bank balances	45,485,413	44,440,269	52,558,851	53,057,489
– Accounts receivable	93,439,673	130,037,264	213,513,725	224,490,464
– Inventories	79,948,631	80,075,514	75,593,134	72,117,954
– Contract assets	106,826,600	121,833,709	156,291,569	194,169,274
– Investment properties	7,871,895	8,020,390	8,320,768	8,462,841
– Fixed assets	25,411,113	27,725,928	27,423,332	26,743,461
– Intangible assets	22,026,293	22,849,854	33,639,591	34,041,752
– Other assets	204,383,209	226,619,308	240,674,785	244,322,804
Total liabilities	423,475,265	493,611,071	625,679,889	676,806,588
– Total borrowings (Note)	62,315,295	73,733,671	93,328,695	127,688,469
– Other liabilities	361,159,970	419,877,400	532,351,194	549,118,119
Net assets	161,917,562	167,991,165	182,335,866	180,599,451
Net assets attributable to shareholders of the Company	121,116,261	145,480,182	153,043,098	151,128,690

Note: Total borrowings include short-term borrowings, long-term borrowings, non-current liabilities due within one year and bonds payable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In respect of the Group's assets and liabilities position, among other things:

- the Group recorded a slight decrease of approximately 2.30% in cash and bank balances as at 31 December 2023 as compared to that as at 31 December 2022, due to the slowdown in the growth trend of the construction industry and the decrease in sales of real estate enterprises. The Group recorded a substantial increase of approximately 18.27% in cash and bank balances as at 31 December 2024 as compared to that as at 31 December 2023. As at 30 June 2025, the Group recorded cash and bank balances of approximately RMB53.1 billion, being at similar level as that as at 31 December 2024.
- The Group's accounts receivable substantially increased by approximately 39.17% from approximately RMB93.4 billion as at 31 December 2022 to RMB130.0 billion as at 31 December 2023, which was mainly due to an increase in accounts receivable related to engineering contracting services. The Group's accounts receivable further increased substantially to approximately RMB213.5 billion as at 31 December 2024, which was mainly due to the impact of the slowdown in economic growth and the slower progress of project payment collection, resulting in an increase in the Company's accounts receivable. The Group's accounts receivable as at 30 June 2025 increased by approximately 5.14% as compared to that as at 31 December 2024, primarily due to an increase in accounts receivables related to engineering contracting services.
- The inventories of the Company mainly consisted of properties under development, completed properties held for sale, raw materials, work in process and finished goods, etc. The Group's inventories were at the level of RMB70 billion to RMB80 billion as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025.
- The contract assets of the Group are mainly completed and unsettled inventories and construction quality guarantee deposits with regard to the engineering contracting service contracts. The Group's contract assets gradually increased from that as at 31 December 2022 to 30 June 2025, which was mainly due to the increases in contract assets related to engineering contracting services for the corresponding period.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- The Company's intangible assets mainly included land use rights, franchise right, patent and proprietary technology, as well as mining rights etc. As at 30 June 2025, the Group's intangible assets were approximately RMB34.0 billion, representing an increase of approximately 1.20% as compared to that as at 31 December 2024.
- The Group's total borrowings increased from approximately RMB62.3 billion as at 31 December 2022 to approximately RMB127.7 billion as at 30 June 2025.

As at 30 June 2025, the Group's net assets attributable to shareholders of the Company was approximately RMB151.1 billion.

Information on Purchasers

With reference to the Board Letter:

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

As at the Latest Practicable Date, China Minmetals is a controlling Shareholder and Minmetals Land Holdings is a subsidiary of China Minmetals. Accordingly, both China Minmetals and Minmetals Land Holdings are connected persons of the Company.

Information on the Target Companies

The Target Companies are MCC Real Estate, Non-ferrous Engineering, MCC Tongsin Resources, MCC Duddar, MCC-JJJ Mining and MCC Ramu.

With reference to the Board Letter:

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

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- Non-ferrous Engineering is a company established in the PRC. Non-ferrous Engineering is principally engaged in the provision of engineering design and supporting engineering services in the field of non-ferrous sector. As at the Latest Practicable Date, Non-ferrous Engineering is a wholly owned subsidiary of the Company.
- MCC Tongsin Resources is a company established in British Virgin Islands. MCC Tongsin Resources engaged in resource development. MCC Tongsin Resources principally operates the Aynak copper mine project in Afghanistan, Sandak copper-gold mine project in Pakistan, and the Siah Dik copper mine Project in Pakistan. As at the Latest Practicable Date, MCC Tongsin Resources is a wholly owned subsidiary of the Company.
- MCC Duddar is a company established in Pakistan. MCC Duddar principally operates the Duddar lead-zinc mine project located in Pakistan. The main assets of the Duddar lead-zinc include an underground mine, a beneficiation plant, tailing facilities and related ancillary facilities. The main products of the mine are lead concentrate and zinc concentrate. As at the Latest Practicable Date, MCC Duddar is a wholly owned subsidiary of China Huaye, which in turn held as to 78.77% by the Company.
- MCC-JJJ Mining is a company established in PRC. MCC-JJJ Mining is principally engaged in resource development. MCC-JJJ Mining serves as the domestic investment entity for the Ramu Project. The assets of the Ramu Project include an open-pit mine, a beneficiation plant, a slurry or ore storage facility and a refinery for nickel-cobalt mixed hydroxide. As at the Latest Practicable Date, MCC-JJJ Mining is a non-wholly owned subsidiary of the Company, held as to 67.02% by the Company.
- MCC Ramu is a company established in Papua New Guinea. MCC Ramu is the project management company in charge of the construction, development and operations of the Ramu Project. The Ramu Project is operated under an unincorporated joint venture structure commonly adopted in the international mining industry. MCC Ramu does not enjoy any economic benefits arising from the Ramu Project as all operating results are allocated directly to the shareholders of the unincorporated joint venture in accordance with relevant agreements. Accordingly, MCC Ramu does not recognise any revenue or profit. As at the Latest Practicable Date, MCC Ramu is a wholly owned subsidiary of the Company.

Set out below are the financial information of the Target Companies (on a consolidated basis, except for MCC Duddar and MCC Ramu) for the three years ended 31 December 2024 and the seven months ended 31 July 2025, as extracted from Appendix II:

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

MCC Real Estate

	For the year ended 31 December 2022 <i>RMB'000</i>	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the seven months ended 31 July 2025 <i>RMB'000</i>
Operating revenue	16,289,489	8,747,544	7,343,698	2,972,323
Profit/(loss) before taxation	220,357	(2,995,713)	(4,996,607)	(25,492,378)
Profit after taxation	8,647	(3,022,064)	(4,855,754)	(25,438,424)
	As at 31 December 2022 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>	As at 31 December 2024 <i>RMB'000</i>	As at 31 July 2025 <i>RMB'000</i>
Total assets	93,193,883	92,307,549	84,584,931	57,063,693
Net assets/(liabilities)	12,600,331	9,509,001	9,250,209	(16,275,509)

Non-ferrous Engineering

	For the year ended 31 December 2022 <i>RMB'000</i>	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the seven months ended 31 July 2025 <i>RMB'000</i>
Operating revenue	6,947,361	6,233,074	8,717,612	5,226,715
Profit before taxation	357,834	533,246	421,948	146,487
Profit after taxation	310,460	460,614	339,369	112,543
	As at 31 December 2022 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>	As at 31 December 2024 <i>RMB'000</i>	As at 31 July 2025 <i>RMB'000</i>
Total assets	10,389,340	11,010,132	12,546,773	12,456,638
Net assets	4,035,291	4,457,150	4,643,485	4,771,039

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

MCC Tongsin Resources

	For the year ended 31 December 2022 <i>RMB'000</i>	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the seven months ended 31 July 2025 <i>RMB'000</i>
Operating revenue	1,507,705	1,780,741	2,466,863	1,792,489
Profit before taxation	134,524	125,866	313,865	212,799
Profit after taxation	114,557	105,354	275,147	209,460
	As at 31 December 2022 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>	As at 31 December 2024 <i>RMB'000</i>	As at 31 July 2025 <i>RMB'000</i>
Total assets	4,857,692	5,253,156	6,001,910	6,706,752
Net assets	3,776,150	4,050,264	4,536,573	5,097,978

MCC Duddar

	For the year ended 31 December 2022 <i>RMB'000</i>	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the seven months ended 31 July 2025 <i>RMB'000</i>
Operating revenue	823,112	603,481	758,946	609,545
Profit before taxation	280,527	115,673	249,383	276,768
Profit after taxation	280,527	113,618	150,762	149,406
	As at 31 December 2022 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>	As at 31 December 2024 <i>RMB'000</i>	As at 31 July 2025 <i>RMB'000</i>
Total assets	837,721	673,583	694,177	724,462
Net assets	407,998	432,822	205,387	186,239

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MCC-JJJ Mining

	For the year ended 31 December 2022 <i>RMB'000</i>	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the seven months ended 31 July 2025 <i>RMB'000</i>
Operating revenue	4,745,552	3,875,117	2,965,225	1,607,908
Profit before taxation	1,267,166	1,029,037	459,832	228,346
Profit after taxation	1,267,166	1,027,378	445,841	229,778
	As at 31 December 2022 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>	As at 31 December 2024 <i>RMB'000</i>	As at 31 July 2025 <i>RMB'000</i>
Total assets	8,642,416	7,627,107	7,226,388	6,675,897
Net assets	1,815,627	2,888,946	3,391,165	3,598,171

MCC Ramu

	For the year ended 31 December 2022 <i>RMB'000</i>	For the year ended 31 December 2023 <i>RMB'000</i>	For the year ended 31 December 2024 <i>RMB'000</i>	For the seven months ended 31 July 2025 <i>RMB'000</i>
Operating revenue	Nil	Nil	Nil	Nil
Profit before taxation	Nil	Nil	Nil	Nil
Profit after taxation	Nil	Nil	Nil	Nil
	As at 31 December 2022 <i>RMB'000</i>	As at 31 December 2023 <i>RMB'000</i>	As at 31 December 2024 <i>RMB'000</i>	As at 31 July 2025 <i>RMB'000</i>
Total assets	6,593	5,956	5,369	5,033
Net assets	3	3	3	3

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Reasons for and benefits of the Disposals

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

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

Real estate property development segment

With reference to the Board Letter, by divesting MCC Real Estate which is primarily engaged in the property development business, the Group will be able to mitigate liquidity risks, project execution risks, and potential default risks. This will significantly reduce inventory pressure and capital exposure associated with the comprehensive real estate business, while enhancing the financing capacity and credit profile of the Group’s core engineering operations.

Furthermore, the disposal of MCC Real Estate would allow the Group to recover the Debts and, proceeds from the Disposals will be redeployed to support the Group’s development plans such as metallurgical engineering technology upgrades, green and low-carbon transformation, and overseas engineering expansion, enabling the Group to “retreat in order to advance” and operate with greater agility.

Set out below are certain statistics regarding the PRC’s real estate industry for the five years ended 31 December 2024 and the ten months ended 31 October 2025, as extracted from the National Bureau of Statistics of the PRC:

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	2020	2021	2022	2023	2024	January to October 2025
Sales value of new-built real estate in the PRC (RMB billion)	16,275.2	17,015.9	12,472.0	11,666.1	9,675.0	6,901.7
<i>Including:</i>						
– New-built residential properties	14,532.0	15,263.7	10,958.3	10,301.3	8,486.4	6,068.7
– New-built commercial properties	889.7	870.2	729.8	662.8	572.8	394.8
Gross floor area of new-built real estate sold in the PRC (million sqm)	1,588.2	1,613.5	1,221.5	1,117.6	973.9	719.8
<i>Including:</i>						
– New-built residential properties	1,399.3	1,410.1	1,033.1	948.2	814.5	602.7
– New-built commercial properties	81.7	79.3	72.3	63.6	59.9	42.2
Average selling price of new-built real estate in the PRC (RMB per sqm) (Note)	10,248	10,546	10,210	10,438	9,935	9,588
<i>Including:</i>						
– New-built residential properties	10,385	10,825	10,608	10,864	10,419	10,069
– New-built commercial properties	10,887	10,969	10,097	10,422	9,569	9,344
Floor area of real estate under development in the PRC (million sqm)	9,267.6	9,753.9	9,045.0	8,401.6	7,332.5	6,529.4

Note: Average selling prices of new-built real estates in the PRC (including new-built residential properties and new-built commercial properties) are calculated based on the sales value of sales value of new-built real estates in the PRC and the gross floor area of new-built real estate sold in the PRC.

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As illustrated above, the sales value of new-built real estate in the PRC recorded year-on-year decrease for each of 2022, 2023 and 2024, due to the year-on-year decrease in gross floor area of new-built real estate sold and average selling price of new-built real estate in the PRC. The sales value of new-built real estate in the PRC decreased from approximately RMB16,275.2 billion for 2020 to approximately RMB9,675.0 billion for 2024, representing a compound annual growth rate of approximately negative 12.19%; while the gross floor area of real estate sold in the PRC decreased from approximately 1,588.2 million sqm for 2020 to approximately 973.9 million sqm for 2024, representing a compound annual growth rate of approximately negative 11.51%. Furthermore, the sales value of new-built real estate in the PRC was approximately RMB6,901.7 billion for the first ten months of 2025, representing a year-on-year decrease of approximately 10.20%; while the gross floor area of new-built real estate sold in the PRC was approximately 719.8 million sqm for the first ten months of 2025, representing a year-on-year decrease of approximately 7.63%.

The floor area of real estate under development in the PRC also recorded year-on-year decrease for each of 2022, 2023 and 2024. The floor area of real estate under development in the PRC decreased from approximately 9,267.6 million sqm for 2020 to approximately 7,332.5 million sqm for 2024, representing a compound annual growth rate of approximately negative 5.69%. Furthermore, the floor area of real estate under development in the PRC was approximately 6,529.4 million sqm for the first ten months of 2025, representing a year-on-year decrease of approximately 9.40%.

Based on the statistics set out above, we are of the view that the prospects of the PRC's real estate industry are uncertain.

Mineral resources development business segment

With reference to the Board Letter, mining resources development projects generally require a significant amount of capital investment involve long investment cycles, significant price volatility of end products. These projects also face increasingly stringent regulatory requirements concerning environmental protection and ecological management. In the current global landscape characterised by ongoing geopolitical realignment, weakening and diverging economic growth, and heightened uncertainty in external environments and policy shifts, the Group's overseas mineral resource projects, many of which are in the preparatory phase, face extended development cycles and elevated risk exposure. In particular, several of the Group's overseas mines remains undeveloped or at an early stage of development, with certain projects unable to progress in accordance with the original schedules over an extended period of time. Furthermore, the development of these projects would necessitate substantial capital commitments and the realisation of expected returns remains subject to uncertainty. The Group has not yet established a fully integrated metals and mining industry chain and does not possess downstream operations such as post-mining smelting, trading, and deep processing. As such, retaining mining assets would expose the Group to fluctuations in international commodity prices and construction risks associated with overseas resources development, which may result in earnings volatility and affect financial stability.

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We understood from the Directors that the Group currently owns five overseas non-ferrous mines. Upon Completion, the Group shall no longer own any non-ferrous mines. The Disposals would reduce the Group's exposure to geopolitical tensions and fluctuation in exchange rates led by interest-rate cycles and realise the economic benefits of the non-ferrous mines in advance.

Further focusing on the Group's core strengths

With reference to the Board Letter, in response to industry challenges and segment-specific risks facing the Group, the proposed divestment represents a prudent strategic initiative of the Group, aligning with national policy and industry trends. It will enable the Group to streamline its business structure, concentrate resources on its principal operations and enhance its long-term competitiveness and profitability. This approach is aimed at reinforcing the Group's professional advantages and system integration capabilities in metallurgical engineering, ensuring that resources are concentrated on core functions.

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

Following the divestment of non-core businesses, the Group's management will be able to concentrate its attention, managerial resources, and R&D investment on its principal business of metallurgical engineering. This will also accelerate the industrialisation of technological achievements and the development of strategic featured industries, without materially affecting the Group's continuing operations.

Having considered the aforesaid, we concur with the Directors that although the Disposals are not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and Shareholders as a whole.

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Principal terms of the Disposals

Set out below are the principal terms of the Disposals, details of which are set out under the sections headed “A. The First Sale and Purchase Agreement” and “B. The Second Sale and Purchase Agreement” of the Board Letter:

	First Sale and Purchase Agreement	Second Sale and Purchase Agreement
Date	8 December 2025	8 December 2025
Parties	(1) The Company (as a Vendor) (2) Minmetals Land Holdings (as Purchaser)	(1) The Company (as Vendor) (2) China Huaye (as a Vendor) (3) China Minmetals (as Purchaser)
Subject matter	Pursuant to the terms and conditions of the First Sale and Purchase Agreement: (1) the Company agreed to sell, and Minmetals Land Holdings agreed to purchase, the entire equity interest of MCC Real Estate; and (2) the Company agreed to assign, and Minmetals Land Holdings agreed to be assigned, the Debts.	Pursuant to the terms and conditions of the Second Sale and Purchase Agreement: (1) the Company agreed to sell, and China Minmetals agreed to purchase, (a) the entire equity interest in each of Non-ferrous Engineering, MCC Tongsin Resources and MCC Ramu; and (b) 67.02% equity interest in MCC-JJJ Mining; (2) China Huaye agreed to sell, and China Minmetals or its designated entity(ies) agreed to purchase, the entire equity interest in MCC Duddar.

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Consideration	The total consideration for the First Disposal is RMB31,236,589,800 which shall be settled in cash by Minmetals Land Holdings to the Company in the following manner: (1) RMB15,618,294,900, being 50% of the consideration, shall be paid by Minmetals Land Holdings to the Company within 20 days after the date on which the Board has passed a resolution to approve the First Disposal (i.e. no later than 28 December 2025); and (2) RMB15,618,294,900, being the balance of the consideration, shall be paid by Minmetals Land Holdings to the Company on the date of Completion.	The total consideration for the Second Disposal is RMB29,439,732,600 which shall be settled in cash by China Minmetals to the Vendors in the following manner: (1) in respect of the acquisition of the entire equity interest in Non-ferrous Engineering, China Minmetals shall pay RMB10,495,579,000 to the Company; (2) in respect of the acquisition of the entire equity interest in MCC Tongsin Resources, China Minmetals shall pay RMB12,240,720,600 to the Company; (3) in respect of the acquisition of the entire equity interest in MCC Duddar, China Minmetals or its designated entity(ies) shall pay RMB1,656,720,500 to China Huaye, or an equivalent amount in foreign currency calculated based on the exchange rate published by the People's Bank of China on the payment date; (4) in respect of the acquisition of 67.02% equity interest in MCC-JJJ Mining, China Minmetals shall pay RMB5,035,798,600 to the Company; and

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- (5) in respect of the acquisition of the entire equity interest in MCC Ramu, China Minmetals shall pay RMB10,913,900 to the Company,

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

- (a) RMB14,719,866,300, being 50% of the Consideration, shall be paid by China Minmetals (or, in the case of consideration payable in respect to MCC Duddar, by such entity(ies) as maybe designated by China Minmetals) to the Vendors within 20 days after the date on which the Board has passed a resolution to approval the Disposals (i.e. no later than 28 December 2025); and
- (b) RMB14,719,866,300, being the balance of the consideration, shall be paid by the China Minmetals (or, in the case of consideration payable in respect to MCC Duddar, by such entity(ies) as designated by China Minmetals) to the Vendors on the date of Completion.

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

Basis of consideration

The total consideration for the Disposals was determined after arm's length negotiations between the Vendors and the Purchasers, after taking into consideration, among other factors, the Valuation of the Target Companies and the Debts made by the Valuer as at the Reference Date.

To assess the fairness and reasonableness of the Consideration, we obtained and reviewed the Valuation Reports prepared by the Valuer.

For our due diligence purpose, we reviewed and enquired into (i) the terms of engagement of the Valuer with the Company; (ii) the Valuer's qualification in relation to the preparation of the Valuation Reports; and (iii) the steps and due diligence measures taken by the Valuer for conducting the Valuation.

Qualification and independence

From the mandate letter and other relevant information provided by the Valuer, and based on our interview with the Valuer, we were satisfied with the terms of engagement of the Valuer as well as its qualification for the preparation of the Valuation Reports.

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Having considered the following factors:

- (i) as required under provision four of the Asset Evaluation Standards –Basic Standards* (《資產評估基本準則》) (the “**Valuation Standards**”) as issued by Ministry of Finance of the PRC and updated in 2017, asset appraisal institution and its professional staff shall carry out asset appraisal activities in accordance with provisions of laws and administrative regulations, uphold to the principle of independence, objectivity and impartiality;
- (ii) as required under provision six of the Valuation Standards, when asset appraisal institution and its professional staff shall carry out asset appraisal activities, they (a) should perform independently in analysing, evaluating and forming their opinion; (b) should not be affected by client or its relevant persons; and (c) should not determine the value on pre-setting basis;
- (iii) the Code of Professional Ethics for Asset Evaluation* (《資產評估職業道德準則》) as issued by China Appraisal Society in 2017 further set out and emphasize the independence requirements of asset appraisal institution and certified valuers;
- (iv) based on the public information and the 2025 Interim Report, none of the shareholders of the Valuer owned more than 10% equity interests in the Company and none of the substantial Shareholders were shareholders of the Valuer as at 30 June 2025;
- (v) the selection of the Valuer was by way of bidding and tendering process; and
- (vi) the Valuer confirmed their independence to the Group, the Target Companies and the Purchasers,

we are satisfied with the independence of the Valuer in respect of the preparation of the Valuation Reports.

Valuation approach

We reviewed the Valuation Reports and enquired into the Valuer on the methodologies, basis and assumptions adopted in conducting the Valuation in order for us to understand the Valuation Reports. Details of the Valuation are set out in Appendix V to the Circular. We noted from the Valuation Reports that each of the Valuation Reports were prepared by the Valuer in accordance with various requirements/standards, including the Valuation Standards as issued by the Ministry of Finance of the PRC.

According to the Valuation Standards, (i) the fundamental valuation approaches of assets valuation include income approach, market approach and asset-based approach, and (ii) the valuer should analyse the applicability of the three fundamental valuation approaches and select the valuation methodology.

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In preparing the Valuation Reports, the Valuer concluded (i) the Valuation of Non-ferrous Engineering, MCC Duddar, MCC-JJJ Mining and MCC Ramu (collectively, the “**Asset-based Approach Target Companies**”) using asset-based approach (the “**Asset-based Approach Valuation**”); and (ii) the Valuation of MCC Real Estate (i.e. the entire equity interest of MCC Real Estate of the portfolio of the underlying assets of MCC Real Estate contemplated under the First Sale and Purchase Agreement) and MCC Tongsin Resources using income approach (the “**Income Approach Valuation**”).

We noted from the Valuation Reports that in conducting the valuation of Non-ferrous Engineering, MCC Duddar, MCC-JJJ Mining and MCC Ramu, the Valuer had considered each of the fundamental valuation approaches and we understood that:

- Asset-based approach refers to the valuation of each individual identifiable asset and liabilities of the valuation subject to determine the value of the valuation subject on the accounting principle of “assets minus liabilities”. As both on- and off-balance sheets’ assets and liabilities of the Asset-based Approach Target Companies can be identified, with appropriate methods to assess their value individually, asset-based approach is applicable for the valuation of Non-ferrous Engineering, MCC Duddar, MCC-JJJ Mining and MCC Ramu.
- Income approach refers to the discount or capitalisation of the valuation subject’s expected income to determine the value of valuation subject. As Non-ferrous Engineering, MCC Duddar and MCC-JJJ Mining are under the assumption that they can continue as a going concern, with complete historical financial information for its management to analyse and formulate their future economic benefits to be brought by their operations and their operational risks can be reasonably assessed and quantified, income approach is applicable for the valuation of Non-ferrous Engineering, MCC Duddar and MCC-JJJ Mining. As MCC Ramu has no actual business activity and its management has no future development plans for MCC Ramu’s business, income approach is not applicable for the valuation of MCC Ramu.
- Market approach evaluates the current fair market value of an asset using comparable items in the market. However, due to significant differences in business structure, operating model, scale, asset allocation and usage, growth stage, growth potential, operating risk, and financial risk among listed companies in the same industry, and the lack of recent comparable transactions, acquisitions, and mergers, as well as limited access to transaction information in the domestic property rights market, it is difficult to obtain reliable and comparable transaction data. Therefore, the market approach is not applicable for the valuation of Non-ferrous Engineering, MCC Duddar, MCC-JJJ Mining and MCC Ramu.

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We noted from the Valuation Reports that in conducting the valuation of MCC Real Estate and MCC Tongsin Resources, the Valuer had considered each of the fundamental valuation approaches and we understood that:

- Asset-based approach refers to the valuation of each individual identifiable asset and liabilities of the valuation subject to determine the value of the valuation subject on the accounting principle of “assets minus liabilities”. As both on- and off-balance sheets’ assets and liabilities of MCC Real Estate and MCC Tongsin Resources can be identified, with appropriate methods to assess their value individually, asset-based approach is applicable for valuation of MCC Real Estate and MCC Tongsin Resources.
- Income approach refers to the discount or capitalisation of the valuation subject’s expected income to determine the value of valuation subject. As the MCC Real Estate and MCC Tongsin Resources are under the assumption that they can continue as a going concern, with complete historical financial information for its management to analyse and formulate their future economic benefits to be brought by their operations and their operational risks can be reasonably assessed and quantified, income approach is applicable for the valuation of MCC Real Estate and MCC Tongsin Resources.
- Market approach evaluates the current fair market value of an asset using comparable items in the market. However, due to significant differences in business structure, operating model, scale, asset allocation and usage, growth stage, growth potential, operating risk, and financial risk among listed companies in the same industry, and the lack of recent comparable transactions, acquisitions, and mergers, as well as limited access to transaction information in the domestic property rights market, it is difficult to obtain reliable and comparable transaction data. Therefore, the market approach is not applicable for the valuation of MCC Real Estate and MCC Tongsin Resources.

Despite that both asset-based approach and income approach are applicable to the valuation of Non-ferrous Engineering, MCC Duddar and MCC-JJJ Mining, other than the factors as stated under the section headed “C. Valuation of the Target Companies” of the Board Letter, having also considered that (i) the estimation of income, costs, expenses, working capitals and capital expenditures that affect the subject companies future cash flows may be subject to subjective management’s judgements, although historical financial information are available for the Valuer to objectively assess the reasonableness of the assumptions used, it is difficult to achieve a strict and stable proportion of various expenditures to accurately forecast the future cash flows of the subject companies; and (ii) in respect of the valuation of MCC-JJJ Mining, MCC-JJJ Mining is a management platform whose principal business consists of commodity trading with its subsidiaries and its business scope is relatively narrow, the Valuer concluded the valuation of Non-ferrous Engineering, MCC Duddar and MCC-JJJ Mining using asset-based approach.

Despite that both asset-based approach and income approach are applicable to the valuation of MCC Real Estate and MCC Tongsin Resources, given that both MCC Real Estate and MCC Tongsin Resources serves as platform companies that incur management cost, the use of asset-based approach by simply assessing the value of each individual asset and liabilities would not be able to reflect its corporate value, the Valuer concluded the valuation of MCC Real Estate and MCC Tongsin Resources using income approach.

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Given that (i) the Valuer had considered the applicability of each of the three commonly adopted valuation approaches; and (ii) having considered the aforesaid reasons for not adopting the other two approaches, we concur with the Valuer on the adoption of relevant valuation approaches for the conclusion of the valuation of Target Companies. As the other fundamental valuation approaches were either not applicable or not selected to conclude the Valuation due to the aforesaid reasons, we did not cross-check the Valuation using other valuation methodologies.

As the Valuer adopted income approach to conduct the valuation of MCC Real Estate and MCC Tongsin Resources, which is regarded as profit forecast pursuant to the Listing Rules, the Financial Adviser and the reporting accountants of the Company issued their report on profit forecast. Details of their reports are set out under Appendix VII and Appendix VIII to the Circular.

Asset-based Approach Valuation

Summarised below are the book value and appraisal value of each Asset-based Approach Target Companies under the Asset-based Approach Valuation as at the Reference Date, showing their respective appreciation or depreciation in value under the categories of (i) current assets; (ii) non-current assets; and (iii) liabilities:

	Book value <i>RMB'000</i>	Appraisal value <i>RMB'000</i>	Appreciation/ (depreciation) <i>RMB'000</i>
Non-ferrous Engineering	4,653,835	10,495,579	5,841,744
– Current assets	167,458	167,458	Nil
– Non-current assets	5,574,352	11,401,101	5,826,749
– Liabilities	1,087,974	1,072,980	(14,995)
MCC Duddar	186,239	1,656,721	1,470,482
– Current assets	362,639	434,779	72,140
– Non-current assets	361,824	1,760,165	1,398,341
– Liabilities	538,223	538,223	Nil
MCC-JJJ Mining	2,650,324	7,513,802	4,863,479
– Current assets	123,432	123,432	Nil
– Non-current assets	3,095,752	7,959,118	4,863,366
– Liabilities	568,859	568,747	(113)
MCC Ramu	3	10,914	10,911
– Current assets	21	21	Nil
– Non-current assets	5,012	15,924	10,911
– Liabilities	5,030	5,030	Nil

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1. Current assets

Current assets of the Asset-based Approach Target Companies primarily consisted of cash and bank balances, trade and other receivables, prepayments and inventories, accounting for over 95% of the current assets of the Asset-based Approach Target Companies in aggregate in terms of appraisal value.

In arriving at the appraisal value of the current assets, the Valuer had (i) understood the composition of the current assets of the Asset-based Approach Target Companies; (ii) verified the book value of the current assets by reviewing the books and records of the Asset-based Approach Target Companies; (iii) verified the existence and accuracy of the books and records by performing physical checks and reviewing the debtors' circularisation.

Having considered the verification work conducted by the Valuer, we are of the view that the approach adopted by the Valuer in arriving at the appraisal values of the current assets is fair and reasonable.

2. Non-current assets

Non-current assets of the Asset-based Approach Target Companies primarily consisted of long-term equity investments, investment properties and fixed assets, accounting for approximately 95% of the non-current assets of the Asset-based Approach Target Companies in aggregate in terms of appraisal value.

2.1 Long-term equity investments

We noted from the Valuation Reports of the Asset-based Approach Target Companies that they have ten investee companies that are accounted for as long-term equity investments, and their appraisal values were approximately RMB16 billion in aggregate, representing an appreciation of approximately RMB8 billion as compared to their book value of approximately RMB8 billion in aggregate.

For our due diligence purpose, we reviewed the valuation process of each investee companies of the Asset-based Approach Target Companies and noted that the appreciation in the value of the long-term equity investments was primarily attributable to the appreciation in appraisal values of two investee companies, namely China ENFI Engineering Co., Ltd. ("**China ENFI**") and MCC Ramu NiCo Ltd. ("**Ramu NiCo**"), of approximately RMB8 billion in aggregate. Among the aforesaid, the appreciation in appraisal value of China ENFI was mainly due to the fact that China ENFI is a well-known planning and design institution in the PRC and its strong profitability has resulted in the valuation appreciation; and the appreciation in appraisal value of Ramu NiCo was mainly due to the substantial future revenue generated by the nickel and cobalt mining, along with its robust overall future profitability with valuation methodology incorporated projections of achievable future returns, resulting in valuation appreciation.

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2.1a *China ENFI*

To assess the fairness and reasonableness of the basis and underlying assumptions used in the valuation of China ENFI, we obtained their underlying valuation model from the Valuer, which consisted of (i) the historical financial information for the three years ended 31 December 2024 and for the seven months ended 31 July 2025; (ii) the financial projection for the five months ending 31 December 2025 and for the five years ending 31 December 2030; and (iii) the calculation of the discounted cash flows. We understood from the Valuer that the financial projection of five-full financial year is commonly adopted for valuation of companies with no restriction on the term of operation. Accordingly, we consider the forecast period, which covers the remaining five months of 2025 since the Reference Date and the five-full financial years ending 31 December 2030 to be reasonable. For our due diligence purpose, we cross-checked key historical financial information with audited financial figures of China ENFI.

As China ENFI is principally engaged in the provision of engineering design and engineering services which has no restriction on the term of operation, and it is assumed that China ENFI is able to continue as a going concern, the Valuer had accounted for the future cash flows of China ENFI beyond the forecast period with no terminal growth rates. We consider the adoption of terminal value beyond the forecast period to be reasonable.

We noted from the valuation model of China ENFI that China ENFI's operating revenue represented the revenue from engineering design and engineering services projects which were estimated based on the historical performance and the future business to be conducted that are reasonably estimated during the forecast period. Based on our discussion with the Valuer, China ENFI's revenue for 2025 was projected based on actual project completion status and implementation progress of on-hand orders of 2025; for 2026 was projected based on the analyses of on-hand projects; for 2027 was projected based on the revenue level of 2026 and potential orders (which were determined by evaluating multiple dimensions such as industry practices, project's maturity level (including its stage in the budget approval process and the progress of commercial negotiations), the history of collaboration with the client, and the competitive dynamics of the market); and for 2028 and onwards were projected based on historical movement trends. Meanwhile, the operating costs of China ENFI for the forecast period were determined with reference to the historical gross profit margin of China ENFI.

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The estimated administrative expenses of China ENFI primarily consisted of depreciation and amortisation (as fixed costs), and staff costs (as variable costs). We noted from the valuation model of China ENFI that:

- Depreciation and amortisation of China ENFI were formulated based on (a) the net book value of the China ENFI's fixed assets and intangible assets as at the Reference Date; (b) the depreciation and amortisation rate of each fixed asset and intangible asset; and (c) the estimated capital expenditures during the forecast period and their effect on the depreciation and amortisation.
- Staff costs of China ENFI were formulated based on (a) the number of employees employed by China ENFI as at the Reference Date; (b) the average annual remuneration of each employee.

We noted from the valuation model of China ENFI that the changes in working capital of China ENFI were formulated based on (i) the balance of trade and other receivables, contract assets, inventories and trade and other payables as at the Reference Date; (ii) the estimated turnover days formulated based on the historical turnover days of the respective items for the three years ended 31 December 2024 and for the seven months ended 31 July 2025. We noted from the valuation model of China ENFI that the estimated turnover days were at similar level as those of the respective items for the historical periods.

The discount rate adopted in the valuation of China ENFI was the weighted average cost of capital of China ENFI formulated by the Valuer. We noted from the valuation model that the Valuer adopted capital asset pricing model ("CAPM") to formulate the cost of equity of China ENFI; while the cost of debt was determined with reference to interest rates of China ENFI's existing debts as at the Reference Date.

For our due diligence purpose:

- We searched through the internet and noted that CAPM is widely adopted for the purpose of calculating the required rate of return on equity.
- We searched on the website of National Interbank Funding Center (a sub-institution directly affiliated to the People's Bank of China) and noted that the risk-free rate adopted by the Valuer was in line with the government bond yields published on the website of National Interbank Funding Center.

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- We obtained the list of comparable companies used for the calculation of the re-levered beta and cross-checked the beta of the selected comparable companies through Wind Financial Terminal. We noted that the beta adopted by the Valuer are consistent with our findings on Wind Financial Terminal.
- We noted that market risk premium adopted by the Valuer was determined with reference to the China Securities Index 300 yield indicator.

Having arrived at the discounted free cash flows of China ENFI, the Valuer had added the value of the excess and non-operating assets and liabilities of China ENFI and subtracted the value of its interest-bearing liabilities to arrive at the equity value of China ENFI.

2.1b Ramu NiCo

To assess the fairness and reasonableness of the basis and underlying assumptions used in the valuation of Ramu NiCo, we obtained their underlying valuation model from the Valuer, which consisted of (i) the historical financial information for the four years ended 31 December 2024 and for the seven months ended 31 July 2025; (ii) the financial projection for the five months ending 31 December 2025 and for the 19 years ending 31 December 2044; and (iii) the calculation of the discounted cash flows. We understood from the Valuer that the forecast period represents the years of mining services available to Ramu NiCo according to the feasibility study on the Ramu Project. For our due diligence purpose, we cross-checked key historical financial information with audited financial figures of Ramu NiCo.

We noted from the valuation model of Ramu NiCo that Ramu NiCo's operating revenue represents the sales of nickel and cobalt products sold by Ramu NiCo and they were estimated based on the estimated annual production of each of nickel and cobalt and their respective unit price. We understood from the Valuer that the estimated annual production of Ramu NiCo were formulated based on the feasibility study on the Ramu Project; and the estimated unit price of nickel and cobalt were formulated with reference to the historical average price of nickel and cobalt as published by LME and the forecasted unit price of nickel and cobalt as published by sources such as S&P Global Rating, Department of Industry, Science and Resources of Australia, the World Bank and the Cobalt Institute.

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The estimated operating costs, administrative expenses, distribution costs and capital expenditures of Ramu NiCo were formulated with reference to relevant historical figures for the four years ended 31 December 2024 and for the seven months ended 31 July 2025, corporate budget and the feasibility study; while the mining royalties to be paid to the local government were formulated based on the estimated annual output of the mine and the prevailing royalty rate as at the Reference Date.

We noted from the valuation model of Ramu NiCo that the changes in working capital of Ramu NiCo were formulated based on (i) the balance of trade and other receivables, contract assets, inventories and trade and other payables as at the Reference Date; (ii) the estimated turnover days formulated based on the historical turnover days of the respective items for the four years ended 31 December 2024 and for the seven months ended 31 July 2025. We noted from the valuation model of Ramu NiCo that the estimated turnover days were at similar level as those of the respective items for the historical periods.

The discount rate adopted in the valuation of Ramu NiCo was the weighted average cost of capital of Ramu NiCo formulated by the Valuer. We noted from the valuation model that the Valuer adopted CAPM to formulate the cost of equity of Ramu NiCo; while the cost of debt was determined with reference to interest rate of Ramu NiCo's existing debts as at the Reference Date. We understood from the Valuer as (i) Ramu NiCo operates in Papua New Guinea, which has no established capital market; and (ii) the Vendors and the Purchaser are domiciled in the PRC, the Valuer had adopted the valuation parameters based on indicators of the Chinese capital market in formulating the discount rate to reflect the required rate of return on their investment in Ramu NiCo.

For our due diligence purpose:

- We searched through the internet and noted that CAPM is widely adopted for the purpose of calculating the required rate of return on equity.
- We searched on the website of National Interbank Funding Center (a sub-institution directly affiliated to the People's Bank of China) and noted that the risk-free rate adopted by the Valuer was in line with the interest rates of government bonds published on the website of National Interbank Funding Center.

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- We obtained the list of comparable companies used for the calculation of the re-levered beta and cross-checked the beta of the selected comparable companies through Wind Financial Terminal. We noted that the beta adopted by the Valuer are consistent with our findings on Wind Financial Terminal.
- We noted that the market risk premium adopted by the Valuer was determined with reference to the China Securities Index 300 yield indicator.

Having arrived at the discounted free cash flows of Ramu NiCo, the Valuer had added the value of the excess and non-operating assets and liabilities of Ramu NiCo and subtracted the value of its interest-bearing liabilities to arrive at the equity value of Ramu NiCo.

2.2 *Investment properties*

We noted from the Valuation Reports that the investment properties of the Asset-based Approach Target Companies primarily consisted of office buildings held by Non-ferrous Engineering and were valued by the Valuer using either income approach or market approach, depending on their nature and intended usage. For our due diligence purpose, we obtained and reviewed the illustration of the valuation process for one of the investment properties of the Asset-based Approach Target Companies. We noted from the illustration that:

- For the proportion of the investment property that may be sold (the “**Market Approach Property**”), the Valuer had adopted market approach by comparing the price of comparable properties that located in the same region as the subject property, and made adjustment to the reference unit price based on the various factors to arrive at the adjusted unit price applied to the Market Approach Property.
- For the proportion of the investment property that may not be sold (the “**Income Approach Property**”), the Valuer had adopted income approach using the rental capitalisation method by estimating the income, less the estimated direct costs, during the remaining life of the Income Approach Property, discounted with reference to the required rate of return.

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In valuing the Market Approach Property, the Valuer first identified the transaction of three properties located in the same region with the same intended usage as the Market Approach Property (the “**Comparable Properties**”) that took place during 2025. We consider the transactions of the Comparable Properties are fair and representative for the purpose of deriving the reference price of the Market Approach Property. Having derived the reference unit price (per sqm) of the Market Approach Property, the Valuer then compared the quantitative characteristics (such as difference in floor area, transaction date, remaining useful lives) and qualitative characteristics (such as transportation convenience, public facilities and structural and functional integrity) of the Comparable Properties and scored the Comparable Properties against the Market Approach Property to arrive at the adjustment factor to the reference unit price and the adjusted unit price.

In valuing the Income Approach Property, the Valuer had estimated (i) the income with reference to (a) the rents under the existing tenancy agreements; (b) interest income on the rental deposit received based on the existing one-year deposit interest rate; and (c) the estimated vacancy rate; and (ii) the direct costs were estimated with reference (a) the rate of various type of taxes and surcharge applicable to the Income Approach Property; (b) estimated insurance and maintenance fees as a percentage of the construction costs of the Income Approach Property; and (c) estimated administrative expenses as a percentage of the estimated rental income.

Having arrived at the free cash flows of the Income Approach Property during its remaining useful life, the Valuer discounted the free cash flows based on the discount rate determined by the Valuer using risk aggregation method, representing the expected rate of return on an investment based on various type of risk premium. We understood from the Valuer that risk aggregation method is typically used for determining the required rate of return of an investment project; whereas weighted average cost of capital is typically used to determine the required rate of return of a company. Under risk aggregation method, the Valuer had accumulated the risk-free rate and the specific risks associated with the Income Approach Property.

To assess the fairness and reasonableness of the valuation inputs and the underlying assumption used by the Valuer:

- We examined the transaction records of the Comparable Properties and searched for the location of the Comparable Properties to verify the timing of such transactions and whether the Comparable Properties are located in similar region as the Market Approach Property.

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- We examined the adjustment scoresheet prepared by the Valuer in determining the adjustment factors applied to the reference unit price of the Market Approach Property and nothing has come to our attention that cause us to doubt the fairness and reasonableness of the adjustment factors adopted.
- We examined samples of the existing tenancy agreements of the Income Approach Property to verify the unit rent adopted in estimating the rental income of the Income Approach Property.
- We enquired into the Directors regarding the historical vacancy rate of the Income Approach Property and we understood that the historical vacancy rates were in line with the estimated vacancy rate adopted in estimating the rental income of the Income Approach Property.
- We cross-checked the deposit interest rate used by the Valuer against the prevailing one-year deposit interest rate published by commercial banks in the PRC to verify the assumptions used in estimating the interest income on the rental deposit of the Income Approach Property.
- We reviewed the parameters used in formulating the discount rate and noted that (a) the risk-free rate adopted represents the one-year deposit interest rate as mentioned above; and (b) the specific risks were determined by the Valuer after taking into account the relevant industry risk, operating risk and financial risk.

Based on our review on the valuation illustration and our assessment on the valuation inputs and assumptions adopted, we consider the approaches adopted by the Valuer and the underlying assumptions used are fair and reasonable.

2.3 *Fixed assets*

In arriving at the appraisal values of the fixed assets, the Valuer had adopted replacement costs method or market comparison method to estimate the costs to replace or reconstruct each individual fixed asset at its existing status, depending on their applicability to each individual fixed asset.

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For our due diligence purpose, we reviewed illustrations of the valuation process for 15 individual fixed assets of the Asset-based Approach Target Companies as provided by the Valuer. We noted from the Valuer that:

- For buildings and structures, the Valuer had (1) estimated the price for the reconstruction and installation with reference to the Notice of the Beijing Municipal Housing and Urban-Rural Development Commission on Adjusting the Fee and Rates of Beijing Construction Projects* (《北京市住房和城鄉建設委員會關於調整北京市建設工程規費費率的通知》) (the “**Construction Rates Notice**”), Beijing Construction Project Budget Quota * (《北京市建設工程預算定額》) (the “**Construction Budget Quota**”) and Beijing Pricing Information (July 2025)* (《北京信息價(2025年7月)》) (the “**Pricing Information**”), or similar guidance notices or budget quota as published by the local authority of other municipal regions; (2) taken into account the cost of capital and relevant taxes based on prevailing interest and tax rates as at the Reference Date; and (3) applied discount with the composite newness rates that are determined with reference to their remaining useful lives, structural and functionality status as at the Reference Date.
- For specific-use machineries and equipment (the “**Specific-Use Assets**”), the Valuer determined the estimated acquisition costs based on the original acquisition costs of such assets and the recent listing of the same items or similar items with the same functionality (the “**Comparable Assets**”), applied discount with the composite newness rates that are determined with reference to their remaining useful lives, structural and functionality as at the Reference Date after taking into account the associated transportation and installation costs and relevant costs of capital.
- For generic-used machinery and equipment with sufficient market transactions (the “**Generic-Use Assets**”), the Valuer had transaction records and recent listing of the Comparable Assets and adjusted based on the remaining useful lives and functionality as at the Reference Date.

To assess the fairness and reasonableness of the valuation inputs and assumptions used by the Valuer:

- We reviewed the Construction Rates Notice, Construction Budget Quota, and the Pricing Information and noted that these publications were intended to standardise and stipulate the construction costs of building and structures located in Beijing.

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- We verified the cost of capital and relevant tax rates adopted in arriving at the adjusted construction costs of the Specific-Use Assets based on the prevailing loan prime rate as published by the People's Bank of China and the prevailing applicable tax rates as published by the State Taxation Administration of the PRC.
- We reviewed the transaction records and listing information of the comparable transactions identified by the Valuer to assess the appraisal value of the Generic-Use Assets and noted that (i) the assets of the comparable transactions had the same functionality as the subject machineries and equipment. We consider the criteria for selecting the comparable transactions are suitable and they are fair and representative samples for the purpose of assessing the appraisal values of the generic-used fixed assets.
- We reviewed the calculation of the composite newness rates of the buildings and structures and Specific-Use Assets, and the adjustment factors applied to the Generic-Use Assets. We noted that the composite newness rates and the adjustments to the Generic-Use Assets were made to cover both quantitative (such as construction or transaction dates, floor area, number of storeys, age) and qualitative (such as intended use, functionality and decoration status) factors. We do not doubt the adjustments factors adopted for the purpose of assessing the appraisal value of the buildings and structures, Specific-Use Assets and the Generic-Use Assets.

Based on our review on the valuation illustrations and our assessment on the valuation inputs and underlying assumptions adopted, we consider the approaches adopted by the Valuer and the underlying assumptions used are fair and reasonable.

3. Liabilities

We noted from the Valuation Reports that the liabilities of the Asset-based Approach Target Companies primarily consist of trade and other payables, non-current payables, borrowings and deferred income.

In arriving at the appraisal values of the liabilities, the Valuer had verified the existence and accuracy of such liabilities by reviewing the relevant accounting records, documents, invoices and the creditors' circularisation.

We noted the differences between the book values and appraisal values of the liabilities of the Target Companies were all attributed by the depreciation of their government subsidies under deferred income. The Valuer had reviewed the relevant subsidies documents and confirmed that the Asset-based Approach Target Companies have reduced future repayment obligations in respect of these government subsidies.

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Having considered the verification work conducted by the Valuer, we are of the view that the approach adopted by the Valuer in arriving at the appraisal values of the liabilities are fair and reasonable.

Having considered the aforesaid and during our discussion with the Valuer, we have not identified any major factor which caused us to doubt the reasonableness of the assumption used in the Asset-based Approach Valuation.

Valuation of MCC Real Estate and the Debts

To assess the fairness and reasonableness of the basis and underlying assumptions used in the valuation of MCC Real Estate, we obtained the underlying valuation model of MCC Real Estate from the Valuer, which consisted of (i) the historical financial information of MCC Real Estate for the four years ended 31 December 2024 and for the seven months ended 31 July 2025; (ii) the financial projection of MCC Real Estate for the five months ending 31 December 2025 and for the five years ending 31 December 2030; and (iii) the calculation of the discounted cash flows. We understood from the Valuer that the financial projection of five-full financial year is commonly adopted for valuation of companies with no restriction on the term of operation. Accordingly, we consider the forecast period, which covers the remaining five months of 2025 since the Reference Date and the five-full financial years ending 31 December 2030 to be reasonable. For our due diligence purpose, we cross-checked key historical financial information with audited financial figures of MCC Real Estate.

As MCC Real Estate is a management platform company which has no restriction on the term of operation, and it is assumed that MCC Real Estate is able to continue as a going concern, the Valuer had accounted for the future cash flows of MCC Real Estate beyond the forecast period with no terminal growth rates. We consider the adoption of terminal value beyond the forecast period to be reasonable.

MCC Real Estate, on a standalone basis, had not generated any operating income from its principal business (i.e. the property development) historically. The management of MCC Real Estate estimated that it will not generate any operating income from its principal business and thus will not incur any corresponding operating costs during the forecast period.

We noted from the valuation model of MCC Real Estate that MCC Real Estate had historically generated investment income from its investee companies. As the appraisal value of its investee companies were valued under the excess and non-operating assets and liabilities as detailed below, no estimated investment income was ascribed to MCC Real Estate during the forecast period.

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The estimated administrative expenses of MCC Real Estate primarily consisted of depreciation and amortisation (as fixed costs), and staff costs (as variable costs). We noted from the valuation model of MCC Real Estate that:

- Depreciation and amortisation of MCC Real Estate were formulated based on (a) the net book value of MCC Real Estate's fixed assets and intangible assets as at the Reference Date; (b) the depreciation and amortisation rate of each fixed asset and intangible asset; and (c) the estimated capital expenditures during the forecast period and their effect on the depreciation and amortisation.
- Staff costs of MCC Real Estate were formulated based on (a) the number of employees employed by MCC Real Estate as at the Reference Date; (b) the average annual remuneration of each employee, which were consistent with that for the historical period; and (c) the estimated decrease in number of employees throughout the forecast period as the real estate projects managed by MCC Real Estate gradually monetise.

We noted from the Valuation Report that the changes in working capital of MCC Real Estate were formulated based on (i) the balance of prepayments, accruals and other payables as at the Reference Date; (ii) the amount of expenses to be settled in each month by referencing the estimated administrative expenses and excluding the non-cash expenses such as depreciation and amortisation of non-current assets; and (iii) the minimum cash balances to be maintained by MCC Real Estate.

We consider the basis and assumption used in the cash flow projection, which were formulated after taking into account the forecasted profit or loss of MCC Real Estate, the non-cash expenses and the working capital changes of MCC Real Estate, to be fair and reasonable.

We noted from the Valuation Report of MCC Real Estate that the Valuer adopted risk aggregation method to formulate the discount rate of MCC Real Estate, which represent the aggregated risks associated with the operation of MCC Real Estate. As aforementioned, risk aggregation method is typically used to determine the required rate of return of an investment project, whereas weighted average cost of capital is typically used to determine the required rate of return of a company. However, as MCC Real Estate is only a management platform company with no actual operation other than management of its projects, we consider it would be impracticable to identify companies comparable to MCC Real Estate with information publicly available for the purpose of determining the beta used to formulate the weighted average cost of capital. As such, we consider the use of risk aggregation method to determine the discount rate of MCC Real Estate to be justifiable.

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Under risk aggregation method, the Valuer had aggregated various types of risks, such as the risk-free rate, industry risk premium and the specific risk premium (including operational and financial risks) associated with MCC Real Estate. We noted from the Valuation Report of MCC Real Estate that:

- Risk-free rate was determined by the Valuer with reference to the government bond yield published on the website of National Interbank Funding Center.
- Industry risks refer to the risks associated with the uncertainties caused by market characteristics.
- Financial risks refer to external risks associated with the financial markets, such as interest rate and foreign exchange risks; while operational risks refer to internal risks arising from the management of the real estate projects, such as market demands, supply chain management and operational management.

Although the abovementioned risk premiums were subjectively determined by the Valuer based on the Valuer's experience, having considered our assessment on the Valuer's qualification and independence as detailed under the sub-section headed "Qualification and independence" above, we do not doubt the discount rate adopted in the valuation of MCC Real Estate.

Having arrived at the discounted free cash flows of MCC Real Estate, the Valuer had added the value of the excess and non-operating assets and liabilities of MCC Real Estate (including long-term equity investments in investee companies) and subtracted the value of its interest-bearing liabilities to arrive at the equity value of MCC Real Estate.

We noted from the Valuation Report of MCC Real Estate that the aggregate appraisal values of the investee companies held by MCC Real Estate were depreciated of approximately RMB19 billion as compared to their aggregate book value. For our due diligence purpose, we reviewed the valuation process of each investee companies of MCC Real Estate and noted that the depreciation in the value of the long-term equity investments was primarily attributable to the relevant investee companies that the Valuer adopted asset-based approach to assess their appraisal values, the depreciation in appraisal value of which was approximately RMB20 billion in aggregate. We discussed with the Valuer and understood that MCC Real Estate holds controlling rights and/or their financial statements together with the composition of the underlying assets and liabilities were available to the Valuer to objectively assess the value of these investee companies using asset-based approach and thus we consider the use of asset-based approach for the valuation of these investee companies is fair and reasonable.

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We noted from the valuation process for the investee companies which adopted asset-based approach that (1) the current assets of these investee companies primarily consist of cash and bank balances, trade and other receivables, prepayments and inventories; (2) the non-current assets of these investee companies primarily consist of fixed assets, intangible assets and investments properties; (3) the liabilities of these investee companies primarily consist of trade and other payables and non-current payables. We noted that the decrease in appraisal values of the assets and liabilities of these investee companies as compared to their book values was primarily due to the difference of the following items (after taking into account the percentage of equity attributable to MCC Real Estate):

- (i) the substantial decrease in appraisal values of these investee companies' inventories (mainly property projects which comprised of development costs for properties under development and developed properties) of approximately RMB15 billion in aggregate; and
- (ii) the decrease in appraisal values of fixed assets, investment properties and prepayments of approximately RMB3 billion in aggregate.

In arriving at the appraisal values of the aforesaid individual assets and liabilities (except for development costs for properties under development and developed properties), the Valuer adopted the same valuation bases and assumptions as those underlying the valuation of the Asset-based Approach Target Companies, which we considered to be fair and reasonable. Based on our review on the valuation process of the Asset-based Approach Target Companies, we consider the approaches adopted by the Valuer and the underlying assumptions used to value the long-term equity investments of MCC Real Estate are fair and reasonable.

In respect of development costs for properties under development and developed properties, the appraisal values were primarily formulated by the Valuer based on (i) the estimated saleable floor area of each type of property of the property projects to be sold during their respective sales period; (ii) the estimated unit selling price (by square meter) of each type of property of the property projects; (iii) the relevant costs and taxes associated with the development and sales of the property projects; and (iv) the discount rates of the property projects. We noted from the valuation model of these investee companies that:

- (1) Both the estimated saleable floor area and the estimated unit selling price of each of type property to be sold were in line with the development of the PRC's real estate industry as detailed under the sub-section headed "Real estate property development segment" of the section headed "Reasons for and benefits of the Disposals" above.

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- (2) Development costs, infrastructure costs and capitalised finance costs of the property projects be paid were formulated based on the planned costs and financing required for the property projects, the amounts paid up to the Reference Date and the remaining amount scheduled to be paid during the forecast period.
- (3) The relevant taxes of the property projects were formulated based on the prevailing tax rates and the income derived from the property projects.
- (4) The discount rates adopted in the valuation of development costs for properties under development represented the weighted average cost of capital of the property projects, comprising the cost of equity formulated by the Valuer using CAPM and the cost of debt formulated by the Valuer with reference to the borrowing costs of the property projects. For our due diligence purpose:
- We searched through the internet and noted that CAPM is widely adopted for the purpose of calculating the required rate of return on equity.
 - We searched on the website of National Interbank Funding Center (a sub-institution directly affiliated to the People's Bank of China) and noted that the risk-free rate adopted by the Valuer was in line with the interest rates of government bonds published on the website of National Interbank Funding Center.
 - We obtained the list of comparable companies used for the calculation of the levered beta and cross-checked the beta of the selected comparable companies through Wind Financial Terminal. We noted that the beta adopted by the Valuer are consistent with our findings on Wind Financial Terminal.
 - We noted that the market risk premium adopted by the Valuer was determined with reference to the China Securities Index 300 yield indicator.

Based on the above, we consider the parameters adopted by the Valuer in arriving at the value of the development costs for properties under development and the developed properties to be fair and reasonable.

In respect of the Debts (i.e. the Debts of MCC Real Estate of the portfolio of the underlying assets of MCC Real Estate contemplated under the First Sale and Purchase Agreement), we noted from the Valuation Report of MCC Real Estate that the Valuer had reviewed the relevant contracts, agreement and original accounting vouchers to verify the book value of the Debts. Having also taken into account the recoverability status and the cause of the Debts, the Valuer considered that no impairment shall be provided on the Debts and thus the market value of the Debts is the same as the book value as at the Reference Date.

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Having considered the aforesaid and during our discussion with the Valuer, we have not identified any major factor which caused us to doubt the reasonableness of the assumption used in the valuation of MCC Real Estate and the Debts.

Valuation of MCC Tongsin Resources

To assess the fairness and reasonableness of the basis and underlying assumptions used in the valuation of MCC Tongsin Resources, we obtained the underlying valuation model of MCC Tongsin Resources from the Valuer, which consisted of (i) the historical financial information of MCC Tongsin Resources for the four years ended 31 December 2024 and for the seven months ended 31 July 2025; (ii) the financial projection of MCC Tongsin Resources for the five months ending 31 December 2025 and for the five years ending 31 December 2030; and (iii) the calculation of the discounted cash flows. We understood from the Valuer that the financial projection of five-full financial year is commonly adopted for valuation of companies with no restriction on the term of operation. Accordingly, we consider the forecast period, which covers the remaining five months of 2025 since the Reference Date and the five-full financial years ending 31 December 2030 to be reasonable. For our due diligence purpose, we cross-checked key historical financial information with audited financial figures of MCC Tongsin Resources.

As MCC Tongsin Resources is a management platform company which has no restriction on the term of operation, and it is assumed that MCC Tongsin Resources is able to continue as a going concern, the Valuer had accounted for the future cash flows of MCC Tongsin Resources beyond the forecast period with no terminal growth rates. We consider the adoption of terminal value beyond the forecast period to be reasonable.

We also noted from the valuation model of MCC Tongsin Resources that MCC Tongsin Resources had historically generated investment income from its investee companies. As the appraisal value of its investee companies were valued under the excess and non-operating assets and liabilities as detailed below, no estimated investment income was ascribed to MCC Tongsin Resources during the forecast period.

The estimated administrative expenses of MCC Tongsin Resources primarily consisted of depreciation and amortisation (as fixed costs), and staff costs (as variable costs). After reviewing the valuation model of MCC Tongsin Resources and discussing with the Valuer, we noted that:

- Depreciation and amortisation of MCC Tongsin Resources were formulated based on (a) the net book value of MCC Tongsin Resources' fixed assets and intangible assets as at the Reference Date; (b) the depreciation and amortisation rate of each fixed asset and intangible asset; and (c) the estimated capital expenditures during the forecast period and their effect on the depreciation and amortisation.

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- Staff costs of MCC Tongsin Resources were formulated based on the following factors, (a) the number of employees of MCC Tongsin Resources as at the Reference Date; and (b) the average annual compensation of each employee (which is consistent with the historical levels).

We noted from the Valuation Report that the changes in working capital of MCC Tongsin Resources were formulated based on (i) the balance of trade and other receivables and trade and other payables as at the Reference Date; (ii) the estimated turnover days formulated based on the historical turnover days of the respective items for the three years ended 31 December 2024 and for the seven months ended 31 July 2025.

We consider the basis and assumption used in the cash flow projection, which were formulated after taking into account the forecasted profit or loss of MCC Tongsin Resources, the non-cash expenses and the working capital changes of MCC Tongsin Resources, to be fair and reasonable.

We noted from the Valuation Report of MCC Tongsin Resources that the Valuer adopted risk aggregation method to formulate the discount rate of MCC Tongsin Resources, which represent the aggregated risks associated with the operation of MCC Tongsin Resources. As aforementioned, risk aggregation method is typically used to determine the required rate of return of an investment project, whereas weighted average cost of capital is typically used to determine the required rate of return of a company. However, as MCC Tongsin Resources is only a management platform company with no actual operation other than management of its projects, we consider it would be impracticable to identify companies comparable to MCC Tongsin Resources with information publicly available for the purpose of determining the beta used to formulate the weighted average cost of capital. As such, we consider the use of risk aggregation method to determine the discount rate of MCC Tongsin Resources to be justifiable.

Under risk aggregation method, the Valuer had aggregated various types of risks, such as the risk-free rate, industry risk premium and the specific risk premium (including operational and financial risks) associated with MCC Tongsin Resources.

We noted from the Valuation Report of MCC Tongsin Resources that the risk-free rate was determined by the Valuer with reference to the government bond yield published on the website of National Interbank Funding Center on the basis that the Vendors and the Purchaser are domiciled in the PRC and the use of PRC's government bond yield reflects the minimum return expected from a Chinese investment.

The characteristics and basis of the risk premiums are detailed under the sub-section headed "Valuation of MCC Real Estate and the Debts" above.

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Although the risk premiums were subjectively determined by the Valuer based on the Valuer's experience, having considered our assessment on the Valuer's qualification and independence as detailed under the sub-section headed "Qualification and independence" above, we do not doubt the discount rate adopted in the valuation of MCC Tongsin Resources.

Having arrived at the discounted free cash flows of MCC Tongsin Resources, the Valuer had added the value of the excess and non-operating assets and liabilities of MCC Tongsin Resources (including long-term equity investments in investee companies) and subtracted the value of its interest-bearing liabilities to arrive at the equity value of MCC Tongsin Resources.

We noted from the Valuation Report of MCC Tongsin Resources that it has eight investee companies that are accounted for as long-term equity investments, and their appraisal values were approximately RMB11 billion in aggregate, representing an appreciation of approximately RMB8 billion as compared to their book value of approximately RMB3 billion in aggregate. For our due diligence purpose, we reviewed the valuation process of each investee companies of Tongsin Resources and noted that the appreciation in the value of the long-term equity investments was primarily attributable to the rise in the overseas copper mining companies' projected profitability (which led to significant growth in their corporate value) as a result of the sustained increase in international copper prices in recent years. We obtained the valuation models of these investee companies together with underlying calculation and noted that the increase in the appraisal value of these investee companies primarily due to its intangible assets (i.e. the mining rights held by the investee companies in respect of the overseas mining projects, the "**Intangible Assets**") of approximately RMB8 billion in aggregate.

We noted from the supporting documents and the underlying calculation that:

- The forecast period of the Intangible Assets was determined with reference to the mineral reserves of the respective mine as at the Reference Date and the estimated annual output of the respective mine according to their respective feasibility study.
- The estimated operating revenue to be derived from the Intangible Assets were formulated based on (i) the estimated annual output according to their respective feasibility study; (ii) the estimated unit price of the minerals with reference to the historical average unit price published by the London Metal Exchange taking into account the difference in purity of the mineral resources.
- The estimated operating costs, administrative expenses, distribution costs and capital expenditures were formulated with reference to their respective feasibility study; while the mining royalties to be paid to the local government were formulated based on the estimated annual output of the mines and the royalty rates as at the Reference Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The discount rates of the Intangible Assets, which represent the accumulated risks associated with the operation of these mines, was determined based on the risk aggregation method. As aforementioned, risk aggregation method is typically used to determine the required rate of return of an investment project, whereas weighted average cost of capital is typically used to determine the required rate of return of a company. As such, we consider the use of risk aggregation method to formulate the discount rates of the Intangible Assets to be reasonable.

Under risk aggregation method, the Valuer had aggregated various types of risks, including risk-free rate and specific risk premium (such as exploration and development risks, industry risks, financial and operational risks and economic risks) associated with the Intangible Assets. We noted from the supporting documents that:

- Risk-free rate was determined by the Valuer with reference to the government bond yields published on the website of National Interbank Funding Center on the basis that these mining projects were funded by Chinese funds.
- Exploration and development risks were determined by the Valuer with reference to the stage of exploration of the respective mines.
- Industry risks refer to the risks associated with the uncertainties caused by market characteristics, investment characteristics, development characteristics and other factors, and they were determined with reference to the global development of the renewable energy industry and the decarbonisation strategies, which would affect the future demands for the mineral resources.
- Financial risks refer to external risks associated with the financial markets, such as interest rate and foreign exchange risks; while operational risks refer to internal risks arising from the operation of the mines, such as market demands, supply chain management and operational management.
- Economic risks refer to the changes to economic environment, such as industrial policies, fiscal policies, financial policies and changes in economic development policies, which would affect investors' reasonable expectation on the return of an investment project.

Although most of the abovementioned risk premium were subjectively determined by the Valuer based on the Valuer's experience, having considered our assessment on the Valuer's qualification and independence as detailed under the sub-section headed "Qualification and independence" above, we do not doubt the discount rates adopted in the valuation of the Intangible Assets.

Based on the above, we consider the parameters adopted by the Valuer in arriving at the value of the Intangible Assets to be fair and reasonable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered the aforesaid and during our discussion with the Valuer, we have not identified any major factor which caused us to doubt the reasonableness of the assumption used in the valuation of MCC Tongsin Resources.

Set out below are the value of the entire equity interests of the Target Companies and the Debts as at the Reference Date, the value of Target Equity Interests as represented by the Valuation and the Debts, and the consideration for the Target Equity Interests and the Debts:

Subject	Valuation <i>RMB'000</i>	Equity interests sought	Value of the Target Equity Interests and the Debts <i>RMB'000</i>	Consideration <i>RMB'000</i>
<i>First Disposal:</i>				
MCC Real Estate and the Debts	31,236,589.8	100%	31,236,589.8	31,236,589.8
<i>Second Disposal:</i>				
Non-ferrous Engineering	10,495,579.0	100%	10,495,579.0	
MCC Tongsin Resources	12,240,720.6	100%	12,240,720.6	
MCC Duddar	1,656,720.5	100%	1,656,720.5	
MCC-JJJ Mining	7,513,802.4	67.02%	5,035,798.6	
MCC Ramu	10,913.9	100%	10,913.9	
Sub-total	31,917,736.4		29,439,732.6	29,439,732.6
Total	63,154,326.2		60,676,322.4	60,676,322.4

Given that the consideration for the Disposals represents the value of the Target Equity Interests and the Debts as at the Reference Date, we are of the view that the consideration for the Target Equity Interests are fair and reasonable.

Transitional Arrangements

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

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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

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

Possible financial effect of the Disposals

With reference to the Board Letter, after completion of the Disposals, each of the Target Companies will cease to be subsidiaries of the Company and the financial results of each of the Target Companies will no longer be consolidated into the financial statements of the Company.

The unaudited pro forma information of the Remaining Group (the “**Pro Forma Information**”) is included in Appendix III to the Circular.

As extracted from the 2025 Interim Report, the unaudited consolidated total assets and total liabilities of the Group were approximately RMB857.4 billion and RMB676.8 billion as at 30 June 2025 respectively. According to the Pro Forma Information, the unaudited total assets and total liabilities of the Remaining Group would be approximately RMB824.2 billion and RMB650.0 billion respectively as if the Completion took place on 30 June 2025.

As extracted from the 2024 Annual Report, the audited total operating revenue, operating profit and net profit of the Group were approximately RMB552.0 billion, RMB9.1 billion and RMB7.9 billion for FY2024 respectively. According to the Pro Forma Information, the unaudited revenue, operating profit and net profit of the Remaining Group for FY2024 would be approximately RMB536.2 billion, RMB11.0 billion and RMB9.3 billion respectively as if the Completion took place on 1 January 2024.

It should be noted that the aforementioned analyses are for illustrative purposes only and do not purport to represent how the financial performance and position of the Group will be upon Completion.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Sale and Purchase Agreements and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable; and (ii) although the Sale and Purchase Agreements and the transactions contemplated thereunder are not conducted in the ordinary and usual course of business of the Group, it is 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 resolutions to be proposed at the EGM to approve the Sale and Purchase Agreements and the transactions contemplated thereunder and we recommend the Independent Shareholders to vote in favour of the resolutions 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*

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the each of the three years ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2025 are disclosed in the following documents which have been published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.mccchina.com):

- (a) Annual report of the Company for the year ended 31 December 2022

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0420/2023042000523.pdf>

- (b) Annual report of the Company for the year ended 31 December 2023

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0418/2024041800666.pdf>

- (c) Annual report of the Company for the year ended 31 December 2024

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0422/2025042200817.pdf>

- (d) Interim report of the Company for the six months ended 30 June 2025

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0919/2025091900810.pdf>

2. STATEMENT OF INDEBTEDNESS

Indebtedness

As at 31 October 2025, being the latest practicable date for the purpose of this indebtedness prior to the printing of this circular, the total indebtedness of the Company is summarised as below:

Item	Balance as at 31 October 2025 RMB (million)
Bank borrowings	101,454.27
unsecured and unguaranteed	75,776.17
Loans from related companies	8,033.88
unsecured and unguaranteed	8,033.88
Loans from non-bank institutions	6,493.94
unsecured and unguaranteed	4,198.97
Corporate bonds and Medium-term Bills	5,345.00
unsecured and unguaranteed	5,345.00
Lease liabilities	1,162.85
unsecured and unguaranteed	1,083.20
Contingent liabilities and mortgage guarantees, etc.	6,150.15
Total	128,640.08

Save as disclosed above, apart from the internal liabilities of the Company and normal payables in the ordinary course of the Company's business, the Company did not have any other outstanding indebtedness or any loan capital issued and outstanding or agreed to be issued, bank or other borrowings, mortgages, pledges, bonds or other loan capital, bank overdrafts, loans or other similar indebtedness, guarantees, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase or other finance lease commitments or other contingent liabilities as at 31 October 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular.

3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, after taking into account the financial resources available to the Group, including internally generated funds and the available banking facilities, the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of this circular, in the absence of unforeseeable circumstances.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

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

In order to improve the Group’s liquidity and financial position, the Group has been undertaking measures to streamline its business portfolio and enhance operation efficiency. Besides, the Group will also continue to actively seek alternative funding sources to manage liquidity as well as to enhance its financial flexibility with a view to mitigate market uncertainties brought on by unexpected changes in operating conditions and external factors.

5. MATERIAL ADVERSE CHANGE

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 2024, being the date to which the latest published audited financial statements of the Group were made up.



大信會計師事務所
北京市海澱區知春路1號
學院國際大廈22層2206
郵編100083

WUYIGE Certified Public Accountants, LLP
Room 2206 22/F, Xueyuan International Tower
No.1 Zhichun Road, Haidian Dist.
Beijing, China, 100083

電話Telephone : +86 (10) 82330558
傳真Fax : +86 (10) 82327668
網址Internet : www.daxincpa.com.cn

REVIEW REPORT

DAXIN YUE ZI [2025] No.1-00026

To Metallurgical Corporation of China Ltd. (the “Company”) :

We have reviewed the accompanying consolidated financial statements of MCC Real Estate Group Co., Ltd. (hereinafter referred to as “the Target Company”), which comprise the consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and the consolidated income statements, consolidated cash flow statements, consolidated statements of changes in equity, and related notes for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025. The preparation of these financial statements is the responsibility of the Company’s management. Our responsibility is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with Chinese Institute of Certified Public Accountants Review Standards No. 2101 – Review of Financial Statements. This Standard requires that we plan and perform the review to obtain limited assurance as to whether the financial statements are free from material misstatements. A review consists primarily of making inquiries of Company personnel and applying analytical procedures to financial data, and provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises, or that they do not present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and its consolidated operating results and cash flows for the years then ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025.

The financial information has been prepared solely for the purpose of inclusion in the circular to be issued by the company in connection with the disposal of Target Company in accordance with the Hong Kong Main Board Listing Rule 14.68(2)(a)(i)(A).

WUYIGE Certified Public Accountants, LL

Chinese Certified Public Accountant : Li Zhijun

China • Beijing

Chinese Certified Public Accountant : Liang Xuan

12 December 2025

CONSOLIDATED BALANCE SHEET

Prepared by: MCC Real Estate Group Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current assets:					
Cash and Cash Equivalents		955,257,168.34	1,662,731,178.72	1,613,007,324.72	1,812,012,257.41
△Settlement reserves					
△Loans to banks and other financial institutions					
Financial assets at fair value through profit or loss					
Derivative financial assets					
Notes receivable					
Accounts receivable	3	1,254,255,470.40	1,833,312,718.75	1,951,153,740.54	2,320,718,494.89
Receivables financing					
Prepayments		865,355,715.63	1,128,006,808.11	1,686,316,229.29	2,565,131,650.95
△Premium receivable					
△Reinsurance accounts receivable					
△Reinsurance reserves receivable					
Centralised management funds receivable		414,870,407.69	718,734,451.57	135,850,139.82	299,746,054.41
Other receivables		4,874,604,006.06	6,616,669,722.35	8,600,488,187.98	12,204,459,530.63
Including: Interest receivable					33,732.83
Dividends receivable		20,210,019.69	20,210,019.69	20,210,019.69	
△Financial assets purchased under reverse repurchase agreements					
Inventories		38,322,611,744.97	56,650,471,789.72	63,089,896,083.47	61,206,799,508.38
Including: Data Resourcess					
Contract assets			848,486,303.11	1,139,917,314.80	1,101,220,985.56
Assets held for sale					
Non-current assets due within one year					
Other current assets		<u>1,806,157,234.47</u>	<u>1,963,794,183.94</u>	<u>1,930,026,928.05</u>	<u>1,556,124,330.95</u>
Total current assets		<u><u>48,493,111,747.56</u></u>	<u><u>71,422,207,156.27</u></u>	<u><u>80,146,655,948.67</u></u>	<u><u>83,066,212,813.18</u></u>

APPENDIX II-A**FINANCIAL INFORMATION OF MCC REAL ESTATE**

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current assets:					
△Loans and advances					
Debt investments					
Other debt investments					
Long-term receivables		3,327,783,077.33	4,758,267,929.55	5,070,225,377.37	5,018,677,261.39
Long-term equity investments		801,247,214.30	807,736,570.69	821,088,577.31	758,595,696.32
Other equity instrument investments					
Other non-current financial assets					
Investment properties		1,821,855,200.00	2,868,662,286.90	2,862,123,128.84	2,231,895,141.03
Fixed assets		995,267,623.26	3,123,122,208.68	3,210,058,149.18	1,902,073,787.30
Construction in progress		1,298,000,082.81	1,269,896,136.44		
Bearer biological assets					
Oil and gas assets					
Right-of-use assets		50,505,717.06	56,018,067.27	69,171,945.86	83,318,854.01
Intangible assets		26,168,943.45	28,455,333.87	31,828,096.66	30,250,126.26
Including: Data Resourcess					
Development expenditures					
Including: Data Resourcess					
Goodwill					
Long-term prepaid expenses		2,051,324.13	2,246,577.89	1,476,386.13	22,280,936.57
Deferred tax assets		247,702,042.05	248,318,390.83	94,921,194.87	80,577,941.14
Other non-current assets					
Total non-current assets		8,570,581,224.39	13,162,723,502.12	12,160,892,856.22	10,127,669,744.02
Total assets		57,063,692,971.95	84,584,930,658.39	92,307,548,804.89	93,193,882,557.20

APPENDIX II-A**FINANCIAL INFORMATION OF MCC REAL ESTATE**

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current liabilities:					
Short-term borrowings		15,253,123.27			919,320,059.18
△ Borrowings from central bank					
△ Loans from banks and other financial institutions					
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities					
Notes payable		89,903,680.61	108,404,838.46	98,241,094.54	
Accounts payable	4	4,510,944,593.53	5,649,807,107.39	6,021,127,740.02	7,626,434,706.16
Receipts in advance		6,354,972.60	5,908,195.40	6,368,225.57	4,962,243.34
Contract liabilities		4,111,486,566.59	4,866,289,855.51	4,706,698,820.94	3,724,908,839.66
△ Financial assets sold under repurchase agreements					
△ Deposits from customers and interbank deposits					
△ Funds from securities trading brokerage business					
△ Funds from securities underwriting business					
Employee benefits payable		6,610,361.98	5,584,624.97	61,216,211.72	43,251,173.85
Tax and surcharge payable		1,543,191,692.25	1,076,114,336.75	1,967,293,098.97	2,051,079,473.34
Other payables		49,103,756,458.16	48,009,700,745.65	53,428,477,018.40	50,874,113,534.28
Including: Interest payable		12,275,240.98	12,275,240.98	12,275,240.98	12,275,240.98
Dividends payable		1,782,864,219.99	1,782,864,219.99	1,797,825,917.06	1,782,864,219.99
△ Fees and commissions payable					
△ Reinsurance accounts payable					
Liabilities held for sale					
Non-current liabilities due within one year		2,573,383,878.90	6,825,197,290.94	3,127,988,797.19	5,644,018,899.05
Other current liabilities		686,602,764.56	739,095,879.77	717,875,808.96	611,741,235.38
Total current liabilities		62,647,488,092.45	67,286,102,874.84	70,135,286,816.31	71,499,830,164.24

APPENDIX II-A FINANCIAL INFORMATION OF MCC REAL ESTATE

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current liabilities:					
△Insurance contract reserves					
Long-term borrowings		7,071,563,380.07	5,893,347,545.59	9,005,654,573.77	7,556,238,414.76
Bonds payable		3,345,000,000.00	2,000,000,000.00	3,300,000,000.00	1,300,000,000.00
Including: Preference shares					
Perpetual debts					
Lease liabilities		45,241,355.03	49,404,440.03	57,193,854.49	66,945,426.47
Long-term payables				126,666,666.66	
Long-term employee benefits payable					
Provisions		150,090,966.36		34,607,252.93	35,612,095.52
Deferred income		59,444,695.45	80,149,616.95	106,270,695.49	91,281,836.36
Deferred tax liabilities		20,373,323.01	25,717,506.22	32,868,438.92	43,644,010.52
Other non-current liabilities					
Total non-current liabilities		10,691,713,719.92	8,048,619,108.79	12,663,261,482.26	9,093,721,783.63
Total liabilities		73,339,201,812.37	75,334,721,983.63	82,798,548,298.57	80,593,551,947.87

APPENDIX II-A FINANCIAL INFORMATION OF MCC REAL ESTATE

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Owners' equity (or Shareholders' equity):					
Paid-in capital (or share capital)		10,000,000,000.00	10,000,000,000.00	5,000,000,000.00	5,000,000,000.00
Other equity instruments					
Including: Preference shares					
Perpetual debts					
Capital reserve					
Less: Treasury shares					
Other comprehensive income		-23,847,153.54	-56,553,888.79	-14,849,563.25	10,364,760.17
Special reserve					
Surplus reserve		162,400,353.01	390,686,194.14	390,686,194.14	390,686,194.14
△ General risk reserve					
Unappropriated profit		<u>-27,581,506,266.42</u>	<u>-2,595,842,559.03</u>	<u>1,932,857,163.99</u>	<u>4,906,307,576.53</u>
Total owners' equity (or shareholders' equity)					
attributable to the parent		-17,442,953,066.95	7,738,289,746.32	7,308,693,794.88	10,307,358,530.84
* Non-controlling interests		<u>1,167,444,226.53</u>	<u>1,511,918,928.44</u>	<u>2,200,306,711.44</u>	<u>2,292,972,078.49</u>
Total owners' equity (or shareholders' equity)		<u><u>-16,275,508,840.42</u></u>	<u><u>9,250,208,674.76</u></u>	<u><u>9,509,000,506.32</u></u>	<u><u>12,600,330,609.33</u></u>
Total liabilities and owners' equity					
(or shareholders' equity)		<u><u>57,063,692,971.95</u></u>	<u><u>84,584,930,658.39</u></u>	<u><u>92,307,548,804.89</u></u>	<u><u>93,193,882,557.20</u></u>

CONSOLIDATED INCOME STATEMENT

Prepared by: MCC Real Estate Group Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
1. Total operating revenue		2,972,322,787.05	7,343,697,980.16	8,747,543,854.60	16,289,489,471.17
Including: Operating revenue	5	2,972,322,787.05	7,343,697,980.16	8,747,543,854.60	16,289,489,471.17
△Interest income					
△Earned premium					
△Fee and commission income					
2. Total operating costs		5,372,912,777.50	9,630,010,778.31	10,444,730,903.61	15,897,665,379.58
Including: Operating costs		3,789,016,345.02	7,546,653,393.88	8,501,846,999.15	14,853,609,613.78
△Interest expenses					
△Fee and commission expenses					
△Surrender value					
△Net claims paid					
△Net appropriation for insurance contracts reserves					
△Dividend expenses for policyholders					
△Reinsurance expenditures					
Taxes and surcharges		690,160,211.44	382,339,375.71	237,657,153.00	136,091,182.48
Selling expenses		169,610,633.03	439,839,511.21	420,387,311.10	433,949,937.16
Administrative expenses		260,869,773.39	363,996,742.10	472,397,881.78	341,593,988.39
Research and development expenses					
Financial expenses		463,255,814.62	897,181,755.41	812,441,558.58	132,420,657.77
Including: Interest expenses		499,440,911.37	1,175,294,623.53	1,112,705,201.96	1,133,230,167.14
Interest income		79,328,183.70	269,995,013.77	343,574,546.49	1,066,880,193.02
Add: Other income		621,035.35	12,484,257.15	39,705,297.29	30,424,535.26
Investment income (losses expressed with “-”)		-6,491,375.26	3,502,232.81	4,592,741.53	93,702,099.10
Including: Investment income from associates and joint ventures		-6,491,375.26	3,502,232.81	20,735,900.68	-29,356,873.35
Gains from derecognition of financial assets measured at amortized costs					

APPENDIX II-A FINANCIAL INFORMATION OF MCC REAL ESTATE

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
△ Foreign exchange gains (losses expressed with “-”)					
Gains on hedge of a net position (losses expressed with “-”)					
Gains from changes in fair value (losses expressed with “-”)					
Credit impairment losses (losses expressed with “-”)		-3,825,064,510.80	-98,343,272.94		
Assets impairment losses (losses expressed with “-”)		-19,108,869,663.85	-2,673,654,097.73	-1,344,527,975.10	-400,020,271.90
Gains on disposal of assets (losses expressed with “-”)			-63,024.53	-35,382.51	5,854.55
3. Operating profit (loss expressed with “-”)		-25,340,394,505.01	-5,042,386,703.39	-2,997,452,367.80	115,936,308.60
Add: Non-operating income		5,271,318.83	23,444,995.70	10,852,214.61	109,786,333.57
Less: Non-operating expenses		157,254,665.11	-22,334,489.62	9,112,689.40	5,365,860.57
4. Total profit (loss expressed with “-”)		-25,492,377,851.29	-4,996,607,218.07	-2,995,712,842.59	220,356,781.60
Less: Income tax expenses		-53,953,601.77	-140,853,482.45	26,351,385.99	211,709,445.01
5. Net profit (net loss expressed with “-”)		-25,438,424,249.52	-4,855,753,735.62	-3,022,064,228.58	8,647,336.59
Including: Net Profit Of the Acquiree Earned before Combination					
A. Classified by continuing and discontinued operations					
1. Net profit from continuing operations (losses expressed with “-”)		-25,438,424,249.52	-4,855,753,735.62	-3,022,064,228.58	8,647,336.59
2. Net profit from discontinued operations (losses expressed with “-”)					
B. Attributable to					
1. Shareholders of the parent		-24,985,663,707.39	-4,528,699,723.02	-2,973,729,979.75	108,796,085.65
*2. Non-controlling interests		-452,760,542.13	-327,054,012.60	-48,334,248.83	-100,148,749.06

APPENDIX II-A FINANCIAL INFORMATION OF MCC REAL ESTATE

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
6. Other comprehensive income, net of income tax					
Attributable to shareholders of the parent		32,706,735.25	-41,704,325.54	-25,214,323.42	-136,667,069.13
A. Items that will not be reclassified subsequently to profit or loss					
1. Remeasurement Changes of Defined Benefit Plans					
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method					
3. Fair value changes of investments in other equity instruments					
4. Fair value changes of the entity's own credit risk					
B. Items that may be reclassified subsequently to profit or loss		32,706,735.25	-41,704,325.54	-25,214,323.42	-136,667,069.13
1. Other comprehensive income that can be reclassified to profit or loss under equity method		2,018.87	-2,018.87		
2. Fair Value Changes of Other Debt Investments					
3. Other comprehensive income from reclassification of financial assets					
4. Debt instrument measured at fair value through other comprehensive income – Credit loss allowance					
5. Cash flow hedge reserve (Effective portion of gains or losses on cash flow hedge)					
6. Translation differences of financial statements presented in foreign currencies		32,704,716.38	-41,702,306.67	-25,214,323.42	-136,667,069.13
7. Others					
*Attributable to non-controlling interests					
7. Total comprehensive income		-25,405,717,514.27	-4,897,458,061.16	-3,047,278,552.00	-128,019,732.54
Attributable to shareholders of the parent		-24,952,956,972.14	-4,570,404,048.56	-2,998,944,303.17	-27,870,983.48
*Attributable to non-controlling interests		-452,760,542.13	-327,054,012.60	-48,334,248.83	-100,148,749.06
8. Earnings per share					
Basic earnings per share (yuan per share)					
Diluted earnings per share (yuan per share)					

CONSOLIDATED STATEMENT OF CASH FLOWS

Prepared by: MCC Real Estate Group Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul2025	Year2024	Year2023	Year2022
1. Cash flows from operating activities:				
Cash received from sales of goods or rendering of services	2,854,851,142.50	7,448,657,890.05	7,101,988,966.48	8,457,035,678.00
△Net increase in customer deposits and due to banks and other financial institutions				
△Net increase in borrowings from the Central Bank				
△Net increase in borrowings from other financial institutions				
△Cash received for insurance contract premium				
△Net cash received from reinsurance contracts				
△Net increase in deposits and investments from policyholders				
△Cash received for interest, fee and commission				
△Net increase in borrowings from banks				
△Net cash increase under repurchase agreements				
△Net increase received from securities trading brokerage business				
Refunds of taxes and surcharges	166,488,016.76	295,780,718.81	167,421,837.97	427,935,209.27
Cash received relating to other operating activities	263,218,554.97	853,378,763.75	1,789,350,856.95	1,411,162,807.71
Sub-total of cash inflows from operating activities	3,284,557,714.23	8,597,817,372.61	9,058,761,661.40	10,296,133,694.98
Cash paid for goods and services	1,403,948,863.72	3,599,706,000.60	4,870,272,145.05	7,342,052,881.82
△Net increase in loans and advances to customers				
△Net increase in deposit in the Central Bank and due from banks and other financial institutions				
△Cash paid for claims in insurance contracts				
△Net increase in funds lent under repurchase agreements				
△Cash paid for interest, fee and commission				
△Cash paid for dividends for policyholders				
Cash paid to and on behalf of employees	259,239,839.11	540,712,263.12	652,437,424.99	586,151,254.18
Cash paid for taxes and surcharges	338,804,947.51	1,592,510,811.47	817,581,146.38	1,258,772,249.67
Cash paid relating to other operating activities	374,380,236.90	1,230,985,659.45	2,270,268,443.27	1,026,927,480.99
Sub-total of cash outflows from operating activities	2,376,373,887.24	6,963,914,734.64	8,610,559,159.69	10,213,903,866.66
Net cash flows from operating activities	908,183,826.99	1,633,902,637.97	448,202,501.71	82,229,828.32

APPENDIX II-A FINANCIAL INFORMATION OF MCC REAL ESTATE

Items	Jan-Jul2025	Year2024	Year2023	Year2022
2. Cash flows from investing activities:				
Cash received from disposal of investments				
Cash received from investment income				
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		2,950.00	3,238.00	58,103.56
Net cash received from disposal of subsidiaries and other business units				
Cash received relating to other investing activities	<u>7,151,593,660.85</u>	<u>16,528,736,741.34</u>	<u>13,558,027,764.86</u>	<u>27,303,256,566.96</u>
Sub-total of cash inflows from investing activities	<u>7,151,593,660.85</u>	<u>16,528,739,691.34</u>	<u>13,558,031,002.86</u>	<u>27,303,314,670.52</u>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	4,572,924.35	7,514,118.83	20,069,392.16	40,884,068.47
Cash paid for acquisition of investments			69,967,000.00	
△Net increase in mortgage loans				
Cash paid for obtaining subsidiaries and other business units				
Cash paid relating to other investing activities	<u>6,815,068,888.03</u>	<u>17,101,545,663.27</u>	<u>12,905,101,696.36</u>	<u>24,314,970,443.39</u>
Sub-total of cash outflows from investing activities	<u>6,819,641,812.38</u>	<u>17,109,059,782.10</u>	<u>12,995,138,088.52</u>	<u>24,355,854,511.86</u>
Net cash flows from investing activities	<u><u>331,951,848.47</u></u>	<u><u>-580,320,090.76</u></u>	<u><u>562,892,914.34</u></u>	<u><u>2,947,460,158.66</u></u>
3. Cash flows from financing activities:				
Cash received from capital contributions				
Including: Cash received from non-controlling shareholders' capital contributions to subsidiaries				
Cash received from borrowings	4,070,130,000.00	5,573,076,695.18	5,500,000,000.00	8,451,572,758.77
Cash received relating to other financing activities	<u>1,013,142,334.94</u>	<u>1,246,344,750.01</u>	<u>1,607,470,967.67</u>	<u>3,904,776,606.01</u>
Sub-total of cash inflows from financing activities	<u>5,083,272,334.94</u>	<u>6,819,421,445.19</u>	<u>7,107,470,967.67</u>	<u>12,356,349,364.78</u>

APPENDIX II-A FINANCIAL INFORMATION OF MCC REAL ESTATE

Items	Jan-Jul2025	Year2024	Year2023	Year2022
Cash repayments of borrowings	6,148,980,968.91	6,204,295,006.00	7,106,368,700.26	7,091,781,421.23
Cash payments for distribution of dividends, profits, or for interest expenses	357,328,183.63	686,087,509.34	728,706,506.40	743,815,915.37
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling shareholders	11,221,385.39			
Cash paid relating to other financing activities	420,116,055.59	729,192,196.21	561,253,787.03	8,738,519,359.95
Sub-total of cash outflows from financing activities	6,926,425,208.13	7,619,574,711.55	8,396,328,993.69	16,574,116,696.55
Net cash flows from financing activities	-1,843,152,873.19	-800,153,266.36	-1,288,858,026.02	-4,217,767,331.77
4. Effect of foreign exchange rate changes on cash and cash equivalents	-1,658,892.34	1,237,160.24	626,235.49	3,351,743.39
5. Net increase/(decrease) in cash and cash equivalents	-604,676,090.07	254,666,441.09	-277,136,374.48	-1,184,725,601.40
Add: Opening balance of cash and cash equivalents	1,401,577,376.17	1,146,910,935.08	1,424,047,309.56	2,608,772,910.96
6. Closing balance of cash and cash equivalents	796,901,286.10	1,401,577,376.17	1,146,910,935.08	1,424,047,309.56

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Prepared by: MCC Real Estate Group Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Jan-Jul2025															
Shareholders' equity attributable to the parent															
Items	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other		Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit		Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		comprehensive income									
I. Closing balance of prior year	10,000,000,000.00					-56,553,888.79			390,686,194.14	-2,595,842,559.03			7,738,289,746.32	1,511,918,928.44	9,250,208,674.76
Add: changes in accounting policies															
Corrections of prior period errors															
Others															
II. Opening balance of current year	10,000,000,000.00					-56,553,888.79			390,686,194.14	-2,595,842,559.03			7,738,289,746.32	1,511,918,928.44	9,250,208,674.76
III. Changes in current year (decrease expressed with “-”)															
(i) Total comprehensive income						32,706,735.25			-228,285,841.13	-24,985,663,707.39			-25,181,242,813.27	-344,474,701.91	-25,525,717,515.18
(ii) Contributions by and distributions to owners						32,706,735.25				-24,985,663,707.39			-24,952,956,972.14	-452,760,542.13	-25,405,717,514.27
1. Capital contributions from owners									-228,285,841.13				-228,285,841.13	108,285,840.22	-120,000,000.91
2. Capital contributions from other equity instruments holders														108,285,840.22	108,285,840.22
3. Share-based payments recognized in shareholders' equity															
4. Others									-228,285,841.13				-228,285,841.13		-228,285,841.13

Jan-Jul2025

Shareholders' equity attributable to the parent															
Items	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares	Other comprehensive income								
(iii) Profit distribution															
1.	Appropriation to surplus reserve														
2.	Appropriation to general risk reserve														
3.	Distributions to shareholders														
4.	Others														
(iv) Internal transfer of shareholders' equity															
1.	Capitalization of capital reserve														
2.	Capitalization of surplus reserve														
3.	Surplus Reserve Used to Offset Losses														
4.	Transfer of changes in defined benefit plans to retained earnings														
5.	Transfer of other comprehensive income to retained earnings														
6.	Others														
(v) Special reserve															
1.	Appropriation to special reserve														
2.	Use of special reserve														
(vi) Others															
IV. Closing balance of current year															
	10,000,000,000.00						-23,847,153.54		162,400,353.01		-27,581,506,266.42		-17,442,953,066.95	1,167,444,226.53	-16,275,508,840.42

Year 2024

Items	Shareholders' equity attributable to the parent												Total shareholders' equity			
	Paid-in capital (Share capital)	Other equity instruments				Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit		Others	Sub-total	Non-controlling interests
		Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares										
I. Closing balance of prior year	5,000,000,000.00						-14,849,563.25	390,686,194.14				1,932,857,163.99		7,308,693,794.88	2,200,306,711.44	9,509,000,506.32
Add: changes in accounting policies																
Corrections of prior period errors																
Others																
II. Opening balance of current year	5,000,000,000.00						-14,849,563.25	390,686,194.14				1,932,857,163.99		7,308,693,794.88	2,200,306,711.44	9,509,000,506.32
III. Changes in current year (decrease expressed with “-”)																
(i) Total comprehensive income	5,000,000,000.00						-41,704,325.54					-4,528,699,723.02		429,595,951.44	-688,387,783.00	-258,791,831.56
(ii) Contributions by and distributions to owners														-4,570,404,048.56	-327,054,012.60	-4,897,458,061.16
1. Capital contributions from owners	5,000,000,000.00													5,000,000,000.00	-300,000,000.00	4,700,000,000.00
2. Capital contributions from other equity instruments holders	5,000,000,000.00													5,000,000,000.00	-300,000,000.00	4,700,000,000.00
3. Share-based payments recognized in shareholders' equity																
4. Others																

FINANCIAL INFORMATION OF MCC REAL ESTATE

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Year 2023

Shareholders' equity attributable to the parent															
Items	Paid-in capital (Share capital)	Other equity instruments			Less:			Other			Total shareholders' equity				
		Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	comprehensive income	Special reserve	Surplus reserve	△ General risk reserve		Unappropriated profit	Others	Sub-total	Non-controlling interests
I. Closing balance of prior year	5,000,000,000.00						10,364,760.17		390,686,194.14		4,906,307,576.53		10,307,358,530.84	2,292,972,078.49	12,600,330,609.33
Add: changes in accounting policies															
Corrections of prior period errors															
Others											279,567.21		279,567.21	10,629.37	290,196.58
II. Opening balance of current year	5,000,000,000.00						10,364,760.17		390,686,194.14		4,906,587,143.74		10,307,638,098.05	2,292,982,707.86	12,600,620,805.91
III. Changes in current year (decrease expressed with "-")															
(i) Total comprehensive income							-25,214,323.42				-2,973,729,979.75		-2,998,944,303.17	-92,675,996.42	-3,091,620,299.59
(ii) Contributions by and distributions to owners							-25,214,323.42				-2,973,729,979.75		-2,998,944,303.17	-48,334,248.83	-3,047,278,552.00
1. Capital contributions from owners														-29,380,050.52	-29,380,050.52
2. Capital contributions from other equity instruments holders															
3. Share-based payments recognized in shareholders' equity															
4. Others														-29,380,050.52	-29,380,050.52

Year 2023										
Items	Shareholders' equity attributable to the parent									
	Paid-in capital (Share capital)			Other equity instruments			Less:		Non-controlling interests	
	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Unappropriated profit
										Others
										Sub-total
(iii) Profit distribution										
1. Appropriation to surplus reserve										
2. Appropriation to general risk reserve										
3. Distributions to shareholders										
4. Others										
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	5,000,000,000.00					-14,849,563.25		390,686,194.14		1,932,857,163.99
										7,308,693,794.88
										2,200,306,711.44
										9,509,000,506.32

Year 2022

Items	Shareholders' equity attributable to the parent													
	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others										
I. Closing balance of prior year	5,000,000,000.00				147,031,829.30		390,686,194.14		4,875,315,907.66			10,413,033,931.10	6,421,405,716.44	16,834,439,647.54
Add: changes in accounting policies														
Corrections of prior period errors														
Others									-77,804,416.78			-77,804,416.78		-77,804,416.78
II. Opening balance of current year	5,000,000,000.00				147,031,829.30		390,686,194.14		4,797,511,490.88			10,335,229,514.32	6,421,405,716.44	16,756,635,230.76
III. Changes in current year (decrease expressed with "-")														
(i) Total comprehensive income					-136,667,069.13				108,796,085.65			-27,870,983.48	-4,128,433,637.95	-4,156,304,621.43
(ii) Contributions by and distributions to owners					-136,667,069.13				108,796,085.65			-27,870,983.48	-100,148,749.06	-128,019,732.54
1. Capital contributions from owners													-3,980,000,000.00	-3,980,000,000.00
2. Capital contributions from other equity instruments holders														
3. Share-based payments recognized in shareholders' equity														
4. Others													-3,980,000,000.00	-3,980,000,000.00

Items	Year 2022									
	Shareholders' equity attributable to the parent									
	Paid-in capital (Share capital)			Other equity instruments			Less:		Total shareholders' equity	
	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Unappropriated profit
(iii) Profit distribution										
1. Appropriation to surplus reserve										
2. Appropriation to general risk reserve										
3. Distributions to shareholders										
4. Others										
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	5,000,000,000.00					10,364,760.17		390,686,194.14		4,906,307,576.53
									10,307,358,530.84	2,292,972,078.49
										12,600,330,609.33

MCC REAL ESTATE GROUP CO., LTD.
NOTES TO THE FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1. GENERAL INFORMATION

MCC Real Estate Group Co., Ltd. (hereinafter referred to as “**the Target Company**”), was established on 5 September 2001. The address of its registered office is 29th Floor (25), 30th Floor (26), No. 17, Madian East Road, Haidian District, Beijing. As at 30 June 2025, the registered capital of the company was RMB10,000.00 million.

The parent company of the Target Company is Metallurgical Corporation of China Ltd., and the ultimate controlling party is China Minmetals Corporation.

the Target Company mainly engages in real estate development business. Business scope: Real estate development; Sell commercial housing; Real estate information consultation (excluding intermediary services); Accept the commission to engage in property management; Project investment.

2. BASIS OF PREPARATION AND PRESENTATION

The Unaudited Consolidated Financial Information of the Target Company comprise the unaudited consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, the unaudited consolidated income statements, the unaudited consolidated statements of cash flows, and the unaudited consolidated statements of changes in equity for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025 and explanatory notes (the “**Unaudited Consolidated Financial Information**”).

The Unaudited Consolidated Financial Information is prepared by the Target Company on a going concern basis.

The Unaudited Consolidated Financial Information has been prepared in accordance with the same accounting policies as those adopted by the Target Company in preparation of the consolidated financial statements of the Company for those respective years. The consolidated financial statements of the Target Company have been prepared in accordance with the Basic Standard of the Accounting Standards for Business Enterprises issued by the Ministry of Finance.

The Unaudited Consolidated Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in “Accounting Standard for Business Enterprises No.30 – Presentation of financial statements” and “Accounting Standard for Business Enterprises No. 32 – Interim financial reporting”. The information should be read in connection with the annual report issued by the Target Company for the relevant period.

The Unaudited Financial Information has been prepared refer to paragraph 68(2)(a)(1) of Chapter 14 of the Listing Rules solely for the purpose of inclusion in the Circular to be issued by Metallurgical Corporation of China Ltd. in connection with the very substantial disposal of the equity interest of the Target Company.

3. ACCOUNTS RECEIVABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	396,574,276.38	328,714,743.36	296,504,205.84	610,417,918.52
1-2 years (inclusive)	24,749,778.96	26,748,670.98	46,035,778.78	23,128,625.94
2-3 years (inclusive)	22,944,972.99	29,356,758.37	15,546,731.25	173,431,038.97
Over 3 years	1,306,538,204.61	1,449,492,546.04	1,593,067,024.67	1,513,740,911.46
Total	<u>1,750,807,232.94</u>	<u>1,834,312,718.75</u>	<u>1,951,153,740.54</u>	<u>2,320,718,494.89</u>
Bad debt provision	496,551,762.54	1,000,000.00		
Net Carrying Value of Accounts Receivable	<u>1,254,255,470.40</u>	<u>1,833,312,718.75</u>	<u>1,951,153,740.54</u>	<u>2,320,718,494.89</u>

4. ACCOUNTS PAYABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	2,132,451,286.87	3,084,938,619.86	3,117,532,606.61	4,997,634,420.28
1-2 years (inclusive)	853,795,801.23	681,508,781.83	1,356,352,657.09	915,135,307.93
2-3 years (inclusive)	499,770,352.28	729,554,429.47	444,289,057.31	418,413,839.77
Over 3 years	<u>1,024,927,153.15</u>	<u>1,153,805,276.23</u>	<u>1,102,953,419.01</u>	<u>1,295,251,138.18</u>
Total	<u>4,510,944,593.53</u>	<u>5,649,807,107.39</u>	<u>6,021,127,740.02</u>	<u>7,626,434,706.16</u>

APPENDIX II-A FINANCIAL INFORMATION OF MCC REAL ESTATE

5. OPERATING REVENUE

Item	Jan-Jul 2025	Year 2024	Year 2023	Year 2022
1. Main business subtotal	<u>2,955,474,064.57</u>	<u>7,216,192,853.55</u>	<u>8,677,400,872.12</u>	<u>16,075,911,086.72</u>
Incl: Real Estate Development	2,877,519,287.99	6,860,913,726.04	8,143,193,465.96	15,169,022,502.80
Others	77,954,776.58	355,279,127.51	534,207,406.16	906,888,583.92
2. Other business revenue	<u>16,848,722.48</u>	<u>127,505,126.61</u>	<u>70,142,982.48</u>	<u>213,578,384.45</u>
Incl: Others	16,848,722.48	127,505,126.61	70,142,982.48	213,578,384.45
Total	<u><u>2,972,322,787.05</u></u>	<u><u>7,343,697,980.16</u></u>	<u><u>8,747,543,854.60</u></u>	<u><u>16,289,489,471.17</u></u>



大信會計師事務所
北京市海澱區知春路1號
學院國際大廈22層2206
郵編100083

WUYIGE Certified Public Accountants, LLP
Room 2206 22/F, Xueyuan International Tower
No.1 Zhichun Road, Haidian Dist.
Beijing, China, 100083

電話Telephone : +86 (10) 82330558
傳真Fax : +86 (10) 82327668
網址Internet : www.daxincpa.com.cn

REVIEW REPORT

DAXIN YUE ZI [2025] No. 1-00023

To Metallurgical Corporation of China Ltd. (the “Company”):

We have reviewed the accompanying consolidated financial statements of China Non-ferrous Engineering Co., Ltd. (hereinafter referred to as “the Target Company”), which comprise the consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and the consolidated income statements, consolidated cash flow statements, consolidated statements of changes in equity, and related notes for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025. The preparation of these financial statements is the responsibility of the Company’s management. Our responsibility is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with Chinese Institute of Certified Public Accountants Review Standards No. 2101 – Review of Financial Statements. This Standard requires that we plan and perform the review to obtain limited assurance as to whether the financial statements are free from material misstatements. A review consists primarily of making inquiries of Company personnel and applying analytical procedures to financial data, and provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises, or that they do not present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and its consolidated operating results and cash flows for the years then ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025.

The financial information has been prepared solely for the purpose of inclusion in the circular to be issued by the company in connection with the disposal of Target Company in accordance with the Hong Kong Main Board Listing Rule 14.68(2)(a)(i) A).

WUYIGE Certified Public Accountants, LLP

Chinese Certified Public Accountant: Li Zhijun

China • Beijing

Chinese Certified Public Accountant: Liang Xuan

12 December 2025

CONSOLIDATED BALANCE SHEET

Prepared by: China Non-ferrous Engineering Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current assets:					
Cash and Cash Equivalents		508,341,190.83	415,868,382.70	362,418,423.05	271,719,111.90
△Settlement reserves					
△Loans to banks and other financial institutions					
Financial assets at fair value through profit or loss					
Derivative financial assets					
Notes receivable		20,813,098.18	3,790,416.86	16,372,019.29	16,354,271.00
Accounts receivable	3	1,950,209,478.68	1,482,528,683.51	1,183,075,407.40	1,137,424,828.94
Receivables financing		35,361,561.76	14,319,548.32	44,225,748.65	347,950,149.05
Prepayments		589,925,492.83	1,176,895,373.87	798,118,819.89	684,359,255.37
△Premium receivable					
△Reinsurance accounts receivable					
△Reinsurance reserves receivable					
Centralised management funds receivable		391,153,497.61	570,787,300.79	275,012,881.12	405,704,435.34
Other receivables		1,802,004,712.26	1,798,874,369.39	1,741,317,743.99	868,388,487.62
Including: Interest receivable		1,308,673.79	1,308,673.79	1,308,673.79	1,308,673.79
Dividends receivable		26,980,351.76	51,555,351.76	51,555,351.76	52,161,271.96
△Financial assets purchased under reverse repurchase agreements					
Inventories		87,567,695.98	70,526,715.20	41,642,201.02	84,705,417.13
Including: Data Resourcess					
Contract assets		623,846,041.42	503,924,277.04	437,142,493.40	538,626,331.87
Assets held for sale					
Non-current assets due within one year					
Other current assets		253,680,897.92	338,687,568.54	227,365,303.53	168,434,861.18
Total current assets		<u>6,262,903,667.47</u>	<u>6,376,202,636.22</u>	<u>5,126,691,041.34</u>	<u>4,523,667,149.40</u>

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current assets:					
△Loans and advances					
Debt investments					
Other debt investments					
Long-term receivables					
Long-term equity investments		1,025,254,512.62	973,879,300.52	900,058,435.14	839,186,857.14
Other equity instrument investments		71,107,088.92	58,831,377.41	86,596,234.61	85,510,507.39
Other non-current financial assets					
Investment properties		219,516,194.20	224,034,681.03	234,474,525.48	247,403,137.29
Fixed assets		1,571,520,592.05	1,705,558,823.51	1,744,094,784.20	1,507,172,683.34
Construction in progress		409,090,844.87	254,155,869.12	80,940,150.22	519,856,200.39
Bearer biological assets					
Oil and gas assets					
Right-of-use assets		12,681,921.97	15,100,455.93	50,885,555.28	48,282,682.96
Intangible assets		2,679,859,990.02	2,733,435,315.68	2,642,023,456.76	2,498,672,272.29
Including: Data Resources					
Development expenditures					
Including: Data Resources					
Goodwill					
Long-term prepaid expenses		4,192,165.67	4,924,001.07	1,454,745.43	1,942,746.19
Deferred tax assets		93,345,312.73	85,582,105.02	83,062,372.45	83,823,394.31
Other non-current assets		107,165,774.00	115,068,918.12	59,850,956.00	33,821,879.00
Total non-current assets		6,193,734,397.05	6,170,570,847.41	5,883,441,215.57	5,865,672,360.30
Total assets		12,456,638,064.52	12,546,773,483.63	11,010,132,256.91	10,389,339,509.70

APPENDIX II-B
FINANCIAL INFORMATION OF NON-FERROUS ENGINEERING

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current liabilities:					
Short-term borrowings		434,250,000.00	308,419,330.59		250,000,000.00
△Borrowings from central bank					
△Loans from banks and other financial institutions					
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities					
Notes payable		44,683,863.34	62,179.82	452,500.00	
Accounts payable	4	2,606,179,871.20	2,278,512,754.19	1,583,460,790.02	1,525,556,409.67
Receipts in advance		203,597.00	9,486,937.84	10,074,068.76	10,151,526.21
Contract liabilities		1,588,304,737.79	2,418,870,230.22	1,729,003,315.22	1,238,849,662.48
△Financial assets sold under repurchase agreements					
△Deposits from customers and interbank deposits					
△Funds from securities trading brokerage business					
△Funds from securities underwriting business					
Employee benefits payable		137,933,997.94	138,589,667.23	137,732,727.28	117,496,381.68
Tax and surcharge payable		21,893,848.94	82,672,017.34	112,608,110.31	61,088,240.11
Other payables		581,249,214.95	644,430,758.53	657,152,145.26	666,619,338.11
Including: Interest payable		1,538,055.73		397,269.13	456,867.74
Dividends payable		33,336,681.56	33,336,681.56	26,336,681.56	26,336,681.56
△Fees and commissions payable					
△Reinsurance accounts payable					
Liabilities held for sale					
Non-current liabilities due within one year		210,123,778.07	214,781,950.66	258,030,282.91	253,510,411.21
Other current liabilities		57,387,755.92	66,819,250.83	33,676,250.78	140,119.74
Total current liabilities		5,682,210,665.15	6,162,645,077.25	4,522,190,190.54	4,123,412,089.21

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current liabilities:					
△Insurance contract reserves					
Long-term borrowings		1,620,527,184.49	1,340,367,479.36	1,559,920,002.64	1,728,683,627.99
Bonds payable					
Including: Preference shares					
Perpetual debts					
Lease liabilities		2,560,495.83	3,164,303.66	9,468,930.34	23,896,470.42
Long-term payables		58,472,062.62	58,472,062.62	70,490,503.13	89,607,693.09
Long-term employee benefits payable		212,634,000.00	212,634,000.00	215,666,000.00	231,519,000.00
Provisions		20,000,000.00	27,689,500.00	8,689,500.00	3,820,800.00
Deferred income		89,194,386.81	98,315,610.04	166,557,518.85	152,909,240.95
Deferred tax liabilities					199,200.91
Other non-current liabilities					
Total non-current liabilities		2,003,388,129.75	1,740,642,955.68	2,030,792,454.96	2,230,636,033.36
Total liabilities		7,685,598,794.90	7,903,288,032.93	6,552,982,645.50	6,354,048,122.57

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Owners' equity (or Shareholders' equity):					
Paid-in capital (or share capital)		2,346,730,000.00	2,346,730,000.00	2,346,730,000.00	2,346,730,000.00
Other equity instruments					
Including: Preference shares					
Perpetual debts					
Capital reserve		-72,924,968.74	-72,932,393.47	-73,006,914.30	-56,607,583.09
Less: Treasury shares					
Other comprehensive income		-108,887,134.11	-120,207,395.71	-106,238,399.78	-104,585,329.76
Special reserve		6,540,175.45	3,785,332.56	2,700,771.12	
Surplus reserve		326,459,500.40	326,459,500.40	309,827,742.07	302,124,725.45
△ General risk reserve					
Unappropriated profit		<u>1,740,423,440.44</u>	<u>1,611,388,948.45</u>	<u>1,424,396,015.78</u>	<u>1,087,243,563.94</u>
Total owners' equity (or shareholders' equity)					
attributable to the parent		4,238,341,013.44	4,095,223,992.23	3,904,409,214.89	3,574,905,376.54
* Non-controlling interests		<u>532,698,256.18</u>	<u>548,261,458.47</u>	<u>552,740,396.52</u>	<u>460,386,010.59</u>
Total owners' equity (or shareholders' equity)		<u><u>4,771,039,269.62</u></u>	<u><u>4,643,485,450.70</u></u>	<u><u>4,457,149,611.41</u></u>	<u><u>4,035,291,387.13</u></u>
Total liabilities and owners' equity					
(or shareholders' equity)		<u><u>12,456,638,064.52</u></u>	<u><u>12,546,773,483.63</u></u>	<u><u>11,010,132,256.91</u></u>	<u><u>10,389,339,509.70</u></u>

CONSOLIDATED INCOME STATEMENT

Prepared by: China Non-ferrous Engineering Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
1. Total operating revenue		5,226,714,724.54	8,717,611,782.24	6,233,074,011.24	6,947,361,012.81
Including: Operating revenue	5	5,226,714,724.54	8,717,611,782.24	6,233,074,011.24	6,947,361,012.81
△Interest income					
△Earned premium					
△Fee and commission income					
2. Total operating costs		5,010,500,594.08	8,449,323,495.28	6,057,212,570.89	6,243,521,852.58
Including: Operating costs		4,549,503,558.35	7,614,598,401.12	5,144,638,163.96	5,293,307,983.13
△Interest expenses					
△Fee and commission expenses					
△Surrender value					
△Net claims paid					
△Net appropriation for insurance contracts reserves					
△Dividend expenses for policyholders					
△Reinsurance expenditures					
Taxes and surcharges		32,139,581.41	68,260,471.84	58,055,946.43	65,764,076.86
Selling expenses		33,161,189.21	86,968,119.62	90,741,281.75	74,355,954.42
Administrative expenses		136,412,994.44	277,408,977.42	302,908,459.81	260,005,176.72
Research and development expenses		224,827,833.49	360,855,456.26	412,367,356.44	420,524,169.29
Financial expenses		34,455,437.18	41,232,069.02	48,501,362.50	129,564,492.16
Including: Interest expenses		30,030,173.61	45,659,222.94	47,788,856.46	120,007,384.94
Interest income		4,205,114.44	14,087,292.62	18,889,861.42	7,346,874.80
Add: Other income		20,835,263.41	100,739,553.70	15,956,736.09	22,330,333.17
Investment income (losses expressed with “-”)		51,369,572.45	86,608,354.18	63,507,337.23	-105,359,984.18
Including: Investment income from associates and joint ventures		51,390,341.47	73,762,697.70	64,172,729.54	8,466,950.75
Gains from derecognition of financial assets measured at amortized costs					

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
△ Foreign exchange gains (losses expressed with “-”)					
Gains on hedge of a net position (losses expressed with “-”)					
Gains from changes in fair value (losses expressed with “-”)				-451,674.39	-465,310.42
Credit impairment losses (losses expressed with “-”)		-22,261,659.72	-90,950,080.72	-127,446,250.18	-142,993,744.03
Assets impairment losses (losses expressed with “-”)		-114,563,484.36	-91,321,543.88	-39,947,679.19	-100,495,109.06
Gains on disposal of assets (losses expressed with “-”)		21,238.27	139,636,199.34	447,581,089.33	44,458.28
3. Operating profit (loss expressed with “-”)		151,615,060.51	413,000,769.58	535,060,999.24	376,899,803.99
Add: Non-operating income		1,956,706.01	32,348,525.74	4,409,383.23	11,005,003.63
Less: Non-operating expenses		7,084,273.56	23,401,650.66	6,224,485.25	30,071,304.33
4. Total profit (loss expressed with “-”)		146,487,492.96	421,947,644.66	533,245,897.22	357,833,503.29
Less: Income tax expenses		33,944,678.18	82,579,062.91	72,631,556.31	47,373,717.67
5. Net profit (net loss expressed with “-”)		112,542,814.78	339,368,581.75	460,614,340.91	310,459,785.62
Including: Net Profit Of the Acquiree Earned before Combination					
A. Classified by continuing and discontinued operations					
1. Net profit from continuing operations (losses expressed with “-”)		112,542,814.78	339,368,581.75	460,614,340.91	310,459,785.62
2. Net profit from discontinued operations (losses expressed with “-”)					
B. Attributable to					
1. Shareholders of the parent		128,264,061.73	340,260,025.66	368,965,946.44	150,630,059.31
*2. Non-controlling interests		-15,721,246.95	-891,443.91	91,648,394.47	159,829,726.31

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
6. Other comprehensive income, net of income tax					
Attributable to shareholders of the parent		11,956,055.23	-14,355,596.64	-1,247,164.23	-20,824,395.20
A. Items that will not be reclassified subsequently to profit or loss		12,090,691.86	-14,526,995.66	-1,653,070.02	-21,039,722.54
1. Remeasurement Changes of Defined Benefit Plans		12,077,597.10	-13,806,520.32	-1,980,137.24	-20,168,566.99
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method		8,000.00	-14,764,250.00	-2,777,250.00	-864,250.00
3. Fair value changes of investments in other equity instruments		-22,554.10	-10,246.51	-7,891.80	-12,172.58
4. Fair value changes of the entity's own credit risk		12,092,151.20	967,976.19	805,004.56	-19,292,144.41
B. Items that may be reclassified subsequently to profit or loss		13,094.76	-720,475.34	327,067.22	-871,155.55
1. Other comprehensive income that can be reclassified to profit or loss under equity method			-6,106.64	9,823.19	-23,871.01
2. Fair Value Changes of Other Debt Investments					
3. Other comprehensive income from reclassification of financial assets					
4. Debt instrument measured at fair value through other comprehensive income – Credit loss allowance					
5. Cash flow hedge reserve (Effective portion of gains or losses on cash flow hedge)					
6. Translation differences of financial statements presented in foreign currencies		168,797.26	-816,448.68	-1,148,816.28	314,898.22
7. Others		-155,702.50	102,079.98	1,466,060.31	-1,162,182.76
*Attributable to non-controlling interests		-134,636.63	171,399.02	405,905.79	215,327.34
7. Total comprehensive income		124,498,870.01	325,012,985.11	459,367,176.68	289,635,390.42
Attributable to shareholders of the parent		140,354,753.59	325,733,030.00	367,312,876.42	129,590,336.77
*Attributable to non-controlling interests		-15,855,883.58	-720,044.89	92,054,300.26	160,045,053.65
8. Earnings per share					
Basic earnings per share (yuan per share)					
Diluted earnings per share (yuan per share)					

CONSOLIDATED STATEMENT OF CASH FLOWS

Prepared by: China Non-ferrous Engineering Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul2025	Year2024	Year2023	Year2022
1. Cash flows from operating activities:				
Cash received from sales of goods or rendering of services	3,811,225,754.13	9,029,493,376.50	6,889,991,503.39	5,980,652,673.07
△Net increase in customer deposits and due to banks and other financial institutions				
△Net increase in borrowings from the Central Bank				
△Net increase in borrowings from other financial institutions				
△Cash received for insurance contract premium				
△Net cash received from reinsurance contracts				
△Net increase in deposits and investments from policyholders				
△Cash received for interest, fee and commission				
△Net increase in borrowings from banks				
△Net cash increase under repurchase agreements				
△Net increase received from securities trading brokerage business				
Refunds of taxes and surcharges	144,211,395.30	66,581,788.07	36,249,214.24	21,000,115.50
Cash received relating to other operating activities	87,652,134.72	223,655,770.89	191,235,328.13	340,242,918.98
Sub-total of cash inflows from operating activities	4,043,089,284.15	9,319,730,935.46	7,117,476,045.76	6,341,895,707.55
Cash paid for goods and services	3,275,236,695.02	6,482,406,789.64	4,228,546,460.82	3,696,032,343.17
△Net increase in loans and advances to customers				
△Net increase in deposit in the Central Bank and due from banks and other financial institutions				
△Cash paid for claims in insurance contracts				
△Net increase in funds lent under repurchase agreements				
△Cash paid for interest, fee and commission				
△Cash paid for dividends for policyholders				
Cash paid to and on behalf of employees	597,680,930.54	1,349,215,252.37	1,251,386,416.34	1,173,306,217.96
Cash paid for taxes and surcharges	150,246,393.79	327,017,568.65	192,332,957.75	306,019,790.42
Cash paid relating to other operating activities	243,421,922.16	296,411,889.12	423,869,376.03	300,086,111.14
Sub-total of cash outflows from operating activities	4,266,585,941.51	8,455,051,499.78	6,096,135,210.94	5,475,444,462.69
Net cash flows from operating activities	-223,496,657.36	864,679,435.68	1,021,340,834.82	866,451,244.86

Items	Jan-Jul2025	Year2024	Year2023	Year2022
2. Cash flows from investing activities:				
Cash received from disposal of investments	2,820,956.53	29,239,595.31	20,507,464.14	46,720,434.78
Cash received from investment income	25,431,033.62	12,845,656.48	613,015.73	21,516,747.62
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	296,383.50	145,984,335.50	31,250.00	314,685.00
Net cash received from disposal of subsidiaries and other business units				
Cash received relating to other investing activities	<u>4,225,750,782.08</u>	<u>8,744,927,623.98</u>	<u>6,138,961,600.00</u>	<u>3,667,767,184.01</u>
Sub-total of cash inflows from investing activities	<u>4,254,299,155.73</u>	<u>8,932,997,211.27</u>	<u>6,160,113,329.87</u>	<u>3,736,319,051.41</u>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	248,776,369.15	540,272,093.94	491,168,680.20	1,024,944,876.73
Cash paid for acquisition of investments			6,800,000.00	
△Net increase in mortgage loans				
Cash paid for obtaining subsidiaries and other business units				
Cash paid relating to other investing activities	<u>4,047,374,177.68</u>	<u>9,037,358,010.18</u>	<u>6,002,721,890.81</u>	<u>4,008,648,357.63</u>
Sub-total of cash outflows from investing activities	<u>4,296,150,546.83</u>	<u>9,577,630,104.12</u>	<u>6,500,690,571.01</u>	<u>5,033,593,234.36</u>
Net cash flows from investing activities	<u>-41,851,391.10</u>	<u>-644,632,892.85</u>	<u>-340,577,241.14</u>	<u>-1,297,274,182.95</u>
3. Cash flows from financing activities:				
Cash received from capital contributions		3,120,600.00		368,495.00
Including: Cash received from non-controlling shareholders' capital contributions to subsidiaries		3,120,600.00		368,495.00
Cash received from borrowings	555,903,590.06	576,877,631.33	153,955,236.87	1,100,476,380.49
Cash received relating to other financing activities		<u>15,000,000.00</u>	<u>52,830,000.00</u>	<u>718,410,000.00</u>
Sub-total of cash inflows from financing activities	<u>555,903,590.06</u>	<u>594,998,231.33</u>	<u>206,785,236.87</u>	<u>1,819,254,875.49</u>

Items	Jan-Jul2025	Year2024	Year2023	Year2022
Cash repayments of borrowings	131,614,615.52	484,358,088.62	610,635,000.42	1,467,309,704.00
Cash payments for distribution of dividends, profits, or for interest expenses	16,446,043.03	159,809,595.75	69,871,851.69	201,213,816.44
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling shareholders				
Cash paid relating to other financing activities	45,266,150.41	118,091,952.54	116,067,629.47	405,122,334.74
Sub-total of cash outflows from financing activities	<u>193,326,808.96</u>	<u>762,259,636.91</u>	<u>796,574,481.58</u>	<u>2,073,645,855.18</u>
Net cash flows from financing activities	<u>362,576,781.10</u>	<u>-167,261,405.58</u>	<u>-589,789,244.71</u>	<u>-254,390,979.69</u>
4. Effect of foreign exchange rate changes on cash and cash equivalents	-4,755,924.51	800,572.43	8,726,718.57	13,208,054.97
5. Net increase/(decrease) in cash and cash equivalents	92,472,808.13	53,585,709.68	99,701,067.54	-672,005,862.81
Add: Opening balance of cash and cash equivalents	415,868,382.70	362,282,673.02	262,581,605.48	934,587,468.29
6. Closing balance of cash and cash equivalents	<u><u>508,341,190.83</u></u>	<u><u>415,868,382.70</u></u>	<u><u>362,282,673.02</u></u>	<u><u>262,581,605.48</u></u>

Prepared by: China Non-ferrous Engineering Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Jan-Jul 2025														
Shareholders' equity attributable to the parent														
Items	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
	Paid-in capital (Share capital)	Preference shares	Perpetual debts											
I. Closing balance of prior year	2,346,730,000.00			-72,932,393.47		-120,207,395.71	3,785,332.56	326,459,500.40		1,611,388,948.45		4,095,223,992.23	548,261,458.47	4,643,485,450.70
Add: changes in accounting policies														
Corrections of prior period errors														
Others														
II. Opening balance of current year	2,346,730,000.00			-72,932,393.47		-120,207,395.71	3,785,332.56	326,459,500.40		1,611,388,948.45		4,095,223,992.23	548,261,458.47	4,643,485,450.70
III. Changes in current year (decrease expressed with "+")														
(i) Total comprehensive income				7,424.73		11,320,261.60	2,754,842.89			129,034,491.99		143,117,021.21	-15,563,202.29	127,553,818.92
(ii) Contributions by and distributions to owners				7,424.73		12,090,691.86				128,264,061.73		140,354,753.59	-15,855,883.58	124,498,870.01
1. Capital contributions from owners														
2. Capital contributions from other equity instruments holders														
3. Share-based payments recognized in shareholders' equity														
4. Others				7,424.73								7,424.73		7,424.73

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Items	Year 2024														
	Shareholders' equity attributable to the parent														
	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non- controlling interests	Total shareholders' equity	
Preference shares		Perpetual debt	Others	Capital reserve											
(iv) Internal transfer of shareholders' equity															
1. Capitalization of capital reserve															
2. Capitalization of surplus reserve															
3. Surplus Reserve Used to Offset Losses															
4. Transfer of changes in defined benefit plans to retained earnings															
5. Transfer of other comprehensive income to retained earnings															
6. Others															
(v) Special reserve															
1. Appropriation to special reserve															
2. Use of special reserve															
(vi) Others															
IV. Closing balance of current year	2,346,730,000.00				-72,932,393.47		-120,207,395.71	3,785,332.56	326,459,500.40		1,611,388,948.45		4,095,223,992.23	548,261,458.47	4,643,485,450.70

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Items	Year 2023															
	Shareholders' equity attributable to the parent										Non-controlling interests	Total shareholders' equity				
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Special reserve	Surplus reserve	△General risk reserve			Unappropriated profit	Others	Sub-total	
		Preference shares	Perpetual debts	Others		Treasury shares	Other comprehensive income									
(iv) Internal transfer of shareholders' equity																
1. Capitalization of capital reserve																
2. Capitalization of surplus reserve																
3. Surplus Reserve Used to Offset Losses																
4. Transfer of changes in defined benefit plans to retained earnings																
5. Transfer of other comprehensive income to retained earnings																
6. Others																
(v) Special reserve																
1. Appropriation to special reserve																
2. Use of special reserve																
(vi) Others																
IV. Closing balance of current year	2,346,730,000.00				-73,006,914.30		-106,238,399.78	2,700,771.12	309,827,742.07	1,424,396,015.78	3,904,409,214.89	552,740,396.32	4,457,149,611.41			

Items	Year 2022															
	Shareholders' equity attributable to the parent															
	Other equity instruments				Capital reserve	Less:		Special reserve		Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Treasury shares		Other comprehensive income	Other									
I. Closing balance of prior year	2,346,730,000.00				-58,017,367.59		-78,275,207.22		281,664,809.45		1,028,867,240.29			3,520,969,474.93	1,199,296,375.16	4,720,265,850.09
Add: changes in accounting policies																
Corrections of prior period errors																
Others												2,251,331.36		2,251,331.36	250,148.04	2,501,479.40
II. Opening balance of current year	2,346,730,000.00				-58,017,367.59		-78,275,207.22		281,664,809.45		1,031,118,571.65			3,523,220,806.29	1,199,546,523.20	4,722,767,329.49
III. Changes in current year (decrease expressed with "+")																
(i) Total comprehensive income					1,409,784.50		-26,310,122.54		20,459,916.00		56,124,992.29			51,684,570.25	-739,160,512.61	-687,475,942.36
(ii) Contributions by and distributions to owners							-21,039,722.54				150,630,059.31			129,590,336.77	160,045,053.65	289,635,390.42
1. Capital contributions from owners															-890,905,566.26	-890,905,566.26
2. Capital contributions from other equity instruments holders															368,495.00	368,495.00
3. Share-based payments recognized in shareholders' equity																
4. Others															-891,274,061.26	-891,274,061.26
(iii) Profit distribution					1,409,784.50				20,459,916.00		-99,775,467.02			-77,905,766.52	-8,300,000.00	-86,205,766.52
1. Appropriation to surplus reserve									20,459,916.00		-20,459,916.00					
2. Appropriation to general risk reserve																
3. Distributions to shareholders															-79,315,551.02	-87,615,551.02
4. Others															1,409,784.50	1,409,784.50

Items	Year 2022															
	Shareholders' equity attributable to the parent															
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares										
(iv) Internal transfer of shareholders' equity																
1. Capitalization of capital reserve								-5,270,400.00				5,270,400.00				
2. Capitalization of surplus reserve																
3. Surplus Reserve Used to Offset Losses																
4. Transfer of changes in defined benefit plans to retained earnings																
5. Transfer of other comprehensive income to retained earnings								-5,270,400.00				5,270,400.00				
6. Others																
(v) Special reserve																
1. Appropriation to special reserve									41,858,834.08					41,858,834.08	3,371,595.62	45,230,429.70
2. Use of special reserve									-41,858,834.08					-41,858,834.08	-3,371,595.62	-45,230,429.70
(vi) Others																
IV. Closing balance of current year	2,346,730,000.00				-56,607,583.09		-104,585,329.76			302,124,725.45		1,087,243,563.94		3,574,905,376.54	460,386,000.59	4,035,291,387.13

CHINA NON-FERROUS ENGINEERING CO., LTD.
NOTES TO THE FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1. GENERAL INFORMATION

China Non-ferrous Engineering Co., Ltd. (hereinafter referred to as the “Target Company”), originally named Beijing Non-ferrous Metallurgical Design and Research Institute, was founded in February 1953 with the approval of the former Ministry of Heavy Industry. On February 22, 2002, upon approval by the State Administration for Industry and Commerce of the People’s Republic of China, Beijing Non-ferrous Metallurgical Design and Research Institute was renamed China Non-ferrous Engineering Design and Research Institute. On December 12, 2008, it was restructured into a one-person limited liability company and renamed China Non-ferrous Engineering Co., Ltd. In November 2020, Metallurgical Corporation of China Ltd. approved a capital increase to the Target Company with a total amount of RMB46.73 million, which was funded by the entrusted loan of RMB20.92 million from Wuxi Xidong Environmental Protection and Energy Co., Ltd. and the entrusted loan of RMB25.81 million from Xiangyang Enfei Environmental Protection and Energy Co., Ltd. After the completion of the capital increase, the paid-in capital of the Target Company increased from RMB2,300 million to RMB2,346.73 million. Metallurgical Corporation of China Ltd. still holds 100% of the shares; the legal representative is Liu Cheng, and the registered address is No. 12, Fuxing Road, Haidian District, Beijing.

The parent company of the Target Company is Metallurgical Corporation of China Ltd., and its ultimate controlling party is China Minmetals Corporation.

Industries of the Target Company: Engineering Contracting, Manufacturing of Other Non-metallic Mineral Products, Other Pollution Control, Other Electricity Generation.

Approved Business Scope of the Target Company: Domestic and overseas engineering general contracting, engineering survey, engineering design, engineering consulting, cost consulting, project management, engineering supervision, engineering bidding, equipment development, equipment procurement and complete sets, system integration and other engineering construction services; technology development, transfer, consulting, training, as well as domestic and foreign trade and import and export of technologies, equipment and labor services supporting engineering projects; advertising publication in the journals China Mine Engineering, China Non-ferrous Metallurgy, Non-ferrous Metallurgical Energy Conservation and Non-ferrous Equipment; house leasing; research, production and sales of high-purity polysilicon, high-purity silicon tetrachloride, high-purity silicon compound products, anhydrous hydrogen chloride, fumed silica and hydrochloric acid (the above hazardous chemical projects are limited to the operation of branch offices with valid licenses); technical services for high-purity polysilicon and silicon compounds; design of sewage

(wastewater) treatment and water supply treatment projects; general contracting of construction projects and professional contracting; manufacturing of water supply and drainage equipment; waste-to-energy power generation; technological development of waste-to-energy power generation technology; development and operation management of hazardous waste disposal projects; collection, transportation, storage, treatment, disposal, landfill and comprehensive utilization of hazardous materials; treatment and disposal of industrial waste; comprehensive utilization of solid waste; sewage treatment; technical research and development, technical consulting and technical services of ecological and environmental pollution control technologies; production, purchase and sale of environmental protection materials, environmental protection equipment and new environmental protection products; development, investment, general contracting, design, procurement and operation of solar power generation projects; technical development and technical services of photovoltaic power stations, photovoltaic power generation systems and products; trade services of photovoltaic power generation products; etc.

2. BASIS OF PREPARATION AND PRESENTATION

The Unaudited Consolidated Financial Information of the Target Company comprise the unaudited consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, the unaudited consolidated income statements, the unaudited consolidated statements of cash flows, and the unaudited consolidated statements of changes in equity for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025 and explanatory notes (the “**Unaudited Consolidated Financial Information**”).

The Unaudited Consolidated Financial Information is prepared by the Target Company on a going concern basis.

The Unaudited Consolidated Financial Information has been prepared in accordance with the same accounting policies as those adopted by the Target Company in preparation of the consolidated financial statements of the Company for those respective years. The consolidated financial statements of the Target Company have been prepared in accordance with the Basic Standard of the Accounting Standards for Business Enterprises issued by the Ministry of Finance.

The Unaudited Consolidated Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in “Accounting Standard for Business Enterprises No.30 – Presentation of financial statements” and “Accounting Standard for Business Enterprises No. 32 – Interim financial reporting”. The information should be read in connection with the annual report issued by the Target Company for the relevant period.

The Unaudited Financial Information has been prepared refer to paragraph 68(2) (a) (1) of Chapter 14 of the Listing Rules solely for the purpose of inclusion in the Circular to be issued by Metallurgical Corporation of China Ltd. in connection with the very substantial disposal of the equity interest of the Target Company.

3. ACCOUNTS RECEIVABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	1,256,369,443.32	886,442,696.59	765,161,258.34	713,785,234.00
1-2 years (inclusive)	420,387,191.37	312,048,737.23	275,070,352.73	311,407,664.96
2-3 years (inclusive)	189,373,993.03	240,143,044.46	142,876,738.22	146,574,276.02
Over 3 years	254,601,841.61	194,329,573.44	160,777,309.33	106,058,115.77
Total	<u>2,120,732,469.33</u>	<u>1,632,964,051.72</u>	<u>1,343,885,658.62</u>	<u>1,277,825,290.75</u>
Bad debt provision	170,522,990.65	150,435,368.21	160,810,251.22	140,400,461.81
Net Carrying Value of Accounts Receivable	<u>1,950,209,478.68</u>	<u>1,482,528,683.51</u>	<u>1,183,075,407.40</u>	<u>1,137,424,828.94</u>

4. ACCOUNTS PAYABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	1,734,121,230.03	1,469,754,891.42	938,721,626.14	907,747,726.52
1-2 years (inclusive)	417,335,779.84	393,484,178.97	333,543,479.01	328,135,200.32
2-3 years (inclusive)	210,808,786.38	190,277,176.77	95,666,888.66	66,123,316.17
Over 3 years	243,914,074.95	224,996,507.03	215,528,796.21	223,550,166.66
Total	<u>2,606,179,871.20</u>	<u>2,278,512,754.19</u>	<u>1,583,460,790.02</u>	<u>1,525,556,409.67</u>

5. OPERATING REVENUE

Item	Jan-Jul 2025	Year 2024	Year 2023	Year 2022
1. Main business subtotal	<u>5,223,522,330.46</u>	<u>8,711,013,885.69</u>	<u>6,228,991,030.92</u>	<u>6,945,883,237.81</u>
Incl: Engineering Contracting	4,624,606,779.25	7,702,350,858.89	4,943,260,343.06	3,947,690,987.83
Other: Waste Incineration, Photovoltaic Power Generation, Solid Waste Treatment	341,411,136.01	619,084,504.27	556,947,797.29	1,033,812,478.36
Silicon-based Materials Sales	172,007,492.27	216,482,872.71	543,077,272.48	1,788,864,244.15
Property Leasing/Property Management	85,496,922.93	173,095,649.82	185,705,618.09	175,515,527.47
2. Other business revenue	<u>3,192,394.08</u>	<u>6,597,896.55</u>	<u>4,082,980.32</u>	<u>1,477,775.00</u>
Incl: Others	3,192,394.08	6,597,896.55	4,082,980.32	1,477,775.00
Total	<u>5,226,714,724.54</u>	<u>8,717,611,782.24</u>	<u>6,233,074,011.24</u>	<u>6,947,361,012.81</u>



大信會計師事務所
北京市海澱區知春路1號
學院國際大廈22層2206
郵編100083

WUYIGE Certified Public Accountants, LLP
Room 2206 22/F, Xueyuan International Tower
No.1 Zhichun Road, Haidian Dist.
Beijing, China, 100083

電話Telephone : +86 (10) 82330558
傳真Fax : +86 (10) 82327668
網址Internet : www.daxincpa.com.cn

REVIEW REPORT

DAXIN YUE ZI [2025] No.1-00024

To Metallurgical Corporation of China Ltd. (the "Company"):

We have reviewed the accompanying consolidated financial statements of MCC Tongsin Resources Limited (hereinafter referred to as "the Target Company"), which comprise the consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and the consolidated income statements, consolidated cash flow statements, consolidated statements of changes in equity, and related notes for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with Chinese Institute of Certified Public Accountants Review Standards No. 2101 – Review of Financial Statements. This Standard requires that we plan and perform the review to obtain limited assurance as to whether the financial statements are free from material misstatements. A review consists primarily of making inquiries of Company personnel and applying analytical procedures to financial data, and provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises, or that they do not present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and its consolidated operating results and cash flows for the years then ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025.

The financial information has been prepared solely for the purpose of inclusion in the circular to be issued by the company in connection with the disposal of Target Company in accordance with the Hong Kong Main Board Listing Rule 14.68(2) (a) (i) (A).

WUYIGE Certified Public Accountants, LLP

Chinese Certified Public Accountant: Li Zhijun

China • Beijing

Chinese Certified Public Accountant: Liang Xuan

12 December 2025

CONSOLIDATED BALANCE SHEET

Prepared by: MCC Tongsin Resources Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current assets:					
Cash and Cash Equivalents		913,103,674.23	402,566,632.29	534,535,991.41	530,542,310.07
△Settlement reserves					
△Loans to banks and other financial institutions					
Financial assets at fair value through profit or loss					
Derivative financial assets					
Notes receivable		204,960,860.96	263,250.00	4,805,404.84	400,000.00
Accounts receivable	3	89,197,169.16	41,663,743.25	38,274,451.04	64,138,107.37
Receivables financing					
Prepayments		216,912,694.79	109,512,376.13	311,333,310.05	211,451,242.49
△Premium receivable					
△Reinsurance accounts receivable					
△Reinsurance reserves receivable					
Centralised management funds receivable		152,887,547.68	376,092,795.57	195,529,759.42	64,570,532.18
Other receivables		695,577,345.24	905,475,936.20	708,171,895.76	945,385,300.67
Including: Interest receivable					
Dividends receivable					
△Financial assets purchased under reverse repurchase agreements					
Inventories		306,876,366.44	328,345,215.05	231,129,054.24	256,831,879.94
Including: Data Resourcess					
Contract assets					
Assets held for sale					
Non-current assets due within one year					
Other current assets			2,457,006.84	1,509,787.04	1,501,751.33
Total current assets		2,579,515,658.50	2,166,376,955.33	2,025,289,653.80	2,074,821,124.05

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current assets:					
△ Loans and advances					
Debt investments					
Other debt investments					
Long-term receivables					
Long-term equity investments		16,643,016.61	10,614,110.09	42,792.48	42,792.48
Other equity instrument investments					
Other non-current financial assets					
Investment properties					
Fixed assets		581,410,527.70	628,369,768.03	54,605,812.12	61,464,816.66
Construction in progress		1,818,250,715.92	1,521,652,154.63	1,601,695,456.17	1,248,185,876.07
Bearer biological assets					
Oil and gas assets					
Right-of-use assets		24,366,848.87	29,184,713.36	31,320,041.00	41,719,235.60
Intangible assets		1,686,565,056.62	1,645,712,281.51	1,540,202,192.78	1,431,458,225.94
Including: Data Resources					
Development expenditures					
Including: Data Resources					
Goodwill					
Long-term prepaid expenses					
Deferred tax assets					
Other non-current assets					
Total non-current assets		4,127,236,165.72	3,835,533,027.62	3,227,866,294.55	2,782,870,946.75
Total assets		6,706,751,824.22	6,001,909,982.95	5,253,155,948.35	4,857,692,070.80

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current liabilities:					
Short-term borrowings					
△ Borrowings from central bank					
△ Loans from banks and other financial institutions					
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities					
Notes payable					
Accounts payable	4	563,425,282.83	492,581,475.03	361,266,789.32	256,058,944.85
Receipts in advance					
Contract liabilities		41,837,969.95	11,728,922.93	25,195,109.86	22,577,792.96
△ Financial assets sold under repurchase agreements					
△ Deposits from customers and interbank deposits					
△ Funds from securities trading brokerage business					
△ Funds from securities underwriting business					
Employee benefits payable		261,018,895.28	205,797,242.81	164,016,709.39	126,217,143.41
Tax and surcharge payable		80,518,546.13	67,635,016.71	23,282,011.26	34,341,384.77
Other payables		575,220,815.89	598,465,783.53	545,896,134.45	554,585,766.70
Including: Interest payable					
Dividends payable					
△ Fees and commissions payable					
△ Reinsurance accounts payable					
Liabilities held for sale					
Non-current liabilities due within one year		3,136,770.64	4,410,345.38	1,414,547.71	4,208,607.30
Other current liabilities					
Total current liabilities		1,525,158,280.72	1,380,618,786.39	1,121,071,301.99	997,989,639.99

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current liabilities:					
△Insurance contract reserves					
Long-term borrowings					
Bonds payable					
Including: Preference shares					
Perpetual debts					
Lease liabilities		19,378,816.86	20,461,072.34	19,562,299.83	23,522,288.79
Long-term payables		56,782,950.94	57,092,702.12	56,253,197.00	55,315,206.89
Long-term employee benefits payable		7,454,200.00	7,164,000.00	6,005,000.00	4,715,000.00
Provisions					
Deferred income					
Deferred tax liabilities					
Other non-current liabilities					
Total non-current liabilities		83,615,967.80	84,717,774.46	81,820,496.83	83,552,495.68
Total liabilities		1,608,774,248.52	1,465,336,560.85	1,202,891,798.82	1,081,542,135.67

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Owners' equity (or Shareholders' equity):					
Paid-in capital (or share capital)		3,488,131,147.07	3,172,924,177.07	2,981,901,445.16	2,867,897,438.90
Other equity instruments					
Including: Preference shares					
Perpetual debts					
Capital reserve					
Less: Treasury shares					
Other comprehensive income		208,050,355.75	230,829,528.03	178,566,302.44	126,023,336.17
Special reserve					
Surplus reserve		251,698,638.85	230,666,411.23	216,301,378.21	203,784,113.40
△General risk reserve					
Unappropriated profit		<u>868,511,078.50</u>	<u>680,083,235.76</u>	<u>461,412,790.75</u>	<u>414,398,497.93</u>
Total owners' equity (or shareholders' equity)					
attributable to the parent		4,816,391,220.17	4,314,503,352.09	3,838,181,916.56	3,612,103,386.40
* Non-controlling interests		<u>281,586,355.53</u>	<u>222,070,070.01</u>	<u>212,082,232.97</u>	<u>164,046,548.73</u>
Total owners' equity (or shareholders' equity)		<u><u>5,097,977,575.70</u></u>	<u><u>4,536,573,422.10</u></u>	<u><u>4,050,264,149.53</u></u>	<u><u>3,776,149,935.13</u></u>
Total liabilities and owners' equity					
(or shareholders' equity)		<u><u>6,706,751,824.22</u></u>	<u><u>6,001,909,982.95</u></u>	<u><u>5,253,155,948.35</u></u>	<u><u>4,857,692,070.80</u></u>

CONSOLIDATED INCOME STATEMENT

Prepared by: MCC Tongsin Resources Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
1. Total operating revenue		1,792,489,433.35	2,466,862,548.21	1,780,740,554.62	1,507,704,858.25
Including: Operating revenue	5	1,792,489,433.35	2,466,862,548.21	1,780,740,554.62	1,507,704,858.25
△Interest income					
△Earned premium					
△Fee and commission income					
2. Total operating costs		1,585,936,265.79	2,160,700,380.16	1,653,713,244.36	1,373,944,855.82
Including: Operating costs		1,318,139,568.99	1,815,785,508.96	1,381,670,553.50	1,126,160,713.11
△Interest expenses					
△Fee and commission expenses					
△Surrender value					
△Net claims paid					
△Net appropriation for insurance contracts reserves					
△Dividend expenses for policyholders					
△Reinsurance expenditures					
Taxes and surcharges		120,933,747.48	140,122,021.70	97,864,976.45	88,160,940.41
Selling expenses		12,264,783.01	20,048,547.69	19,664,911.00	17,960,653.29
Administrative expenses		147,731,392.05	219,544,091.68	188,651,935.00	165,063,497.28
Research and development expenses					
Financial expenses		-13,133,225.74	-34,799,789.87	-34,139,131.59	-23,400,948.27
Including: Interest expenses		505,516.62	1,110,692.36	1,074,453.26	1,321,508.28
Interest income		14,017,137.15	30,898,566.31	35,686,061.14	20,058,320.56
Add: Other income		64,834.82	248,065.87	172,091.15	41,244.74
Investment income (losses expressed with “-”)		6,291,319.75	7,099,788.65		
Including: Investment income from associates and joint ventures		6,291,319.75	7,099,788.65		
Gains from derecognition of financial assets measured at amortized costs					

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
△ Foreign exchange gains (losses expressed with “-”)					
Gains on hedge of a net position (losses expressed with “-”)					
Gains from changes in fair value (losses expressed with “-”)					
Credit impairment losses (losses expressed with “-”)				7,133.87	4,020,099.74
Assets impairment losses (losses expressed with “-”)					-256,450.18
Gains on disposal of assets (losses expressed with “-”)					
3. Operating profit (loss expressed with “-”)		212,909,322.13	313,510,022.57	127,206,535.28	137,564,896.73
Add: Non-operating income		118,660.50	2,086,666.89	421,941.35	971,736.75
Less: Non-operating expenses		228,812.92	1,731,920.72	1,762,700.98	4,012,939.74
4. Total profit (loss expressed with “-”)		212,799,169.71	313,864,768.74	125,865,775.65	134,523,693.74
Less: Income tax expenses		3,339,099.35	38,717,535.92	20,511,388.67	19,966,620.36
5. Net profit (net loss expressed with “-”)		209,460,070.36	275,147,232.82	105,354,386.98	114,557,073.38
Including: Net Profit Of the Acquiree Earned before Combination					
A. Classified by continuing and discontinued operations					
1. Net profit from continuing operations (losses expressed with “-”)		209,460,070.36	275,147,232.82	105,354,386.98	114,557,073.38
2. Net profit from discontinued operations (losses expressed with “-”)					
B. Attributable to					
1. Shareholders of the parent		209,460,070.36	275,147,232.82	105,354,386.98	114,557,073.38
*2. Non-controlling interests					
6. Other comprehensive income, net of income tax		-26,763,527.65	62,251,062.63	62,918,844.20	312,752,962.81
Attributable to shareholders of the parent		-22,779,172.28	52,263,225.59	52,542,966.27	261,903,852.43
A. Items that will not be reclassified subsequently to profit or loss		-1,000.00	-1,321,000.00	-963,000.00	-717,000.00

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
1. Remeasurement Changes of Defined Benefit Plans		-1,000.00	-1,321,000.00	-963,000.00	-717,000.00
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method					
3. Fair value changes of investments in other equity instruments					
4. Fair value changes of the entity's own credit risk					
B. Items that may be reclassified subsequently to profit or loss		-22,778,172.28	53,584,225.59	53,505,966.27	262,620,852.43
1. Other comprehensive income that can be reclassified to profit or loss under equity method		-262,413.23	236,748.96		-26,853.52
2. Fair Value Changes of Other Debt Investments					
3. Other comprehensive income from reclassification of financial assets					
4. Debt instrument measured at fair value through other comprehensive income – Credit loss allowance					
5. Cash flow hedge reserve (Effective portion of gains or losses on cash flow hedge)					
6. Translation differences of financial statements presented in foreign currencies		-22,515,759.05	53,347,476.63	53,505,966.27	262,647,705.95
7. Others					
*Attributable to non-controlling interests		-3,984,355.37	9,987,837.04	10,375,877.93	50,849,110.38
7. Total comprehensive income		182,696,542.71	337,398,295.45	168,273,231.18	427,310,036.19
Attributable to shareholders of the parent		186,680,898.08	327,410,458.41	157,897,353.25	376,460,925.81
*Attributable to non-controlling interests		-3,984,355.37	9,987,837.04	10,375,877.93	50,849,110.38
8. Earnings per share					
Basic earnings per share (yuan per share)					
Diluted earnings per share (yuan per share)					

CONSOLIDATED STATEMENT OF CASH FLOWS

Prepared by: MCC Tongsin Resources Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul2025	Year2024	Year2023	Year2022
1. Cash flows from operating activities:				
Cash received from sales of goods or rendering of services	1,606,707,855.83	2,519,330,161.27	1,865,211,152.93	1,473,154,416.24
△Net increase in customer deposits and due to banks and other financial institutions				
△Net increase in borrowings from the Central Bank				
△Net increase in borrowings from other financial institutions				
△Cash received for insurance contract premium				
△Net cash received from reinsurance contracts				
△Net increase in deposits and investments from policyholders				
△Cash received for interest, fee and commission				
△Net increase in borrowings from banks				
△Net cash increase under repurchase agreements				
△Net increase received from securities trading brokerage business				
Refunds of taxes and surcharges	14,157,404.20	17,650,052.68	39,185,619.53	13,911,135.05
Cash received relating to other operating activities	63,621,266.62	47,570,553.00	20,661,817.69	18,210,527.41
Sub-total of cash inflows from operating activities	1,684,486,526.65	2,584,550,766.95	1,925,058,590.15	1,505,276,078.70
Cash paid for goods and services	993,945,040.38	1,539,022,592.71	1,123,126,629.43	805,203,439.66
△Net increase in loans and advances to customers				
△Net increase in deposit in the Central Bank and due from banks and other financial institutions				
△Cash paid for claims in insurance contracts				
△Net increase in funds lent under repurchase agreements				
△Cash paid for interest, fee and commission				
△Cash paid for dividends for policyholders				
Cash paid to and on behalf of employees	190,280,587.86	296,093,244.30	269,619,949.32	262,339,128.99
Cash paid for taxes and surcharges	99,035,927.91	163,249,713.47	135,731,743.87	119,214,489.41
Cash paid relating to other operating activities	347,489,684.12	237,205,446.98	261,197,483.00	354,916,580.56
Sub-total of cash outflows from operating activities	1,630,751,240.27	2,235,570,997.46	1,789,675,805.62	1,541,673,638.62
Net cash flows from operating activities	53,735,286.38	348,979,769.49	135,382,784.53	-36,397,559.92

Items	Jan-Jul2025	Year2024	Year2023	Year2022
2. Cash flows from investing activities:				
Cash received from disposal of investments				
Cash received from investment income				
Net cash received from disposal of fixed assets, intangible assets and other long-term assets				
Net cash received from disposal of subsidiaries and other business units				
Cash received relating to other investing activities	910,503,400.00	1,004,455,006.01	1,041,689,194.30	563,800,370.87
Sub-total of cash inflows from investing activities	<u>910,503,400.00</u>	<u>1,004,455,006.01</u>	<u>1,041,689,194.30</u>	<u>563,800,370.87</u>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	330,617,758.81	312,847,453.54	399,463,680.17	188,217,503.69
Cash paid for acquisition of investments		3,204,765.00		
△Net increase in mortgage loans				
Cash paid for obtaining subsidiaries and other business units				
Cash paid relating to other investing activities	480,046,107.70	1,379,238,423.89	939,148,200.00	566,094,450.00
Sub-total of cash outflows from investing activities	<u>810,663,866.51</u>	<u>1,695,290,642.43</u>	<u>1,338,611,880.17</u>	<u>754,311,953.69</u>
Net cash flows from investing activities	<u>99,839,533.49</u>	<u>-690,835,636.42</u>	<u>-296,922,685.87</u>	<u>-190,511,582.82</u>
3. Cash flows from financing activities:				
Cash received from capital contributions	379,061,360.86	191,022,731.91	149,249,726.11	56,290,919.29
Including: Cash received from non-controlling shareholders' capital contributions to subsidiaries	63,579,470.86		37,312,368.11	18,496,694.29
Cash received from borrowings				
Cash received relating to other financing activities				86.30
Sub-total of cash inflows from financing activities	<u>379,061,360.86</u>	<u>191,022,731.91</u>	<u>149,249,726.11</u>	<u>56,291,005.59</u>

Items	Jan-Jul2025	Year2024	Year2023	Year2022
Cash repayments of borrowings				
Cash payments for distribution of dividends, profits, or for interest expenses				
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling shareholders				
Cash paid relating to other financing activities	<u>2,222,207.00</u>	<u>4,563,256.80</u>	<u>4,239,111.00</u>	<u>22,239,111.00</u>
Sub-total of cash outflows from financing activities	<u>2,222,207.00</u>	<u>4,563,256.80</u>	<u>4,239,111.00</u>	<u>22,239,111.00</u>
Net cash flows from financing activities	<u>376,839,153.86</u>	<u>186,459,475.11</u>	<u>145,010,615.11</u>	<u>34,051,894.59</u>
4. Effect of foreign exchange rate changes on cash and cash equivalents	-5,490,313.37	9,040,414.28	17,522,967.57	47,756,367.97
5. Net increase/(decrease) in cash and cash equivalents	524,923,660.36	-146,355,977.54	993,681.34	-145,100,880.18
Add: Opening balance of cash and cash equivalents	385,180,013.87	531,535,991.41	530,542,310.07	675,643,190.25
6. Closing balance of cash and cash equivalents	<u><u>910,103,674.23</u></u>	<u><u>385,180,013.87</u></u>	<u><u>531,535,991.41</u></u>	<u><u>530,542,310.07</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Prepared by: MCC Tongsin Resources Ltd.

(Expressed in Renminbi unless otherwise indicated)

Jan-Jul2025														
Shareholders' equity attributable to the parent														
Items	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others										
I. Closing balance of prior year	3,172,924,177.07				230,829,528.03		230,666,411.23			680,083,235.76		4,314,503,352.09	222,070,070.01	4,536,573,422.10
Add: changes in accounting policies														
Corrections of prior period errors														
Others														
II. Opening balance of current year	3,172,924,177.07				230,829,528.03		230,666,411.23			680,083,235.76		4,314,503,352.09	222,070,070.01	4,536,573,422.10
III. Changes in current year (decrease expressed with “-”)														
(i) Total comprehensive income	315,206,970.00				-22,779,172.28		21,032,227.62			188,427,842.74		501,887,868.08	59,516,285.52	561,404,153.60
(ii) Contributions by and distributions to owners					-22,779,172.28					209,460,070.36		186,680,898.08	-3,984,355.37	182,696,542.71
1. Capital contributions from owners	315,206,970.00											315,206,970.00	63,500,640.89	378,707,610.89
2. Capital contributions from other equity instruments holders												315,206,970.00	63,500,640.89	378,707,610.89
3. Share-based payments recognized in shareholders' equity														
4. Others														

Jan-Jul2025

Items	Shareholders' equity attributable to the parent											Non-controlling interests	Sub-total	Total shareholders' equity	
	Paid-in capital (Share capital)	Other equity instruments			Less:			Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit				Others
		Preference shares	Perpetual debts	Others	Treasury shares	comprehensive income	Other								
(iii) Profit distribution															
1. Appropriation to surplus reserve															
2. Appropriation to general risk reserve															
3. Distributions to shareholders															
4. Others															
(iv) Internal transfer of shareholders' equity															
1. Capitalization of capital reserve															
2. Capitalization of surplus reserve															
3. Surplus Reserve Used to Offset Losses															
4. Transfer of changes in defined benefit plans to retained earnings															
5. Transfer of other comprehensive income to retained earnings															
6. Others															
(v) Special reserve															
1. Appropriation to special reserve															
2. Use of special reserve															
(vi) Others															
IV. Closing balance of current year	3,488,131,147.07							208,050,355.75		251,698,638.85		868,511,078.50		4,816,391,220.17	5,097,977,575.70

Year 2024

Shareholders' equity attributable to the parent														
Items	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other		Surplus reserve	Unappropriated profit	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares	comprehensive income	Special reserve						
I. Closing balance of prior year	2,981,901,445.16					178,566,302.44		216,301,378.21	461,412,790.75	3,838,181,916.56	212,082,232.97	4,050,264,149.53		
Add: changes in accounting policies														
Corrections of prior period errors														
Others														
II. Opening balance of current year	2,981,901,445.16					178,566,302.44		216,301,378.21	461,412,790.75	3,838,181,916.56	212,082,232.97	4,050,264,149.53		
III. Changes in current year (decrease expressed with "-")														
(i) Total comprehensive income	191,022,731.91					52,263,225.59		14,365,033.02	218,670,445.01	476,321,435.53	9,987,837.04	486,309,272.57		
(ii) Contributions by and distributions to owners	191,022,731.91					52,263,225.59			275,147,232.82	327,410,458.41	9,987,837.04	337,398,295.45		
1. Capital contributions from owners	191,022,731.91									191,022,731.91		191,022,731.91		
2. Capital contributions from other equity instruments holders														
3. Share-based payments recognized in shareholders' equity														
4. Others														

Year 2024																
Items	Shareholders' equity attributable to the parent															
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares	comprehensive income									
(iii) Profit distribution																
1. Appropriation to surplus reserve										14,365,033.02		-56,476,787.81		-42,111,754.79		-42,111,754.79
2. Appropriation to general risk reserve										14,365,033.02		-14,365,033.02				
3. Distributions to shareholders														-42,111,754.79		-42,111,754.79
4. Others																
(iv) Internal transfer of shareholders' equity																
1. Capitalization of capital reserve																
2. Capitalization of surplus reserve																
3. Surplus Reserve Used to Offset Losses																
4. Transfer of changes in defined benefit plans to retained earnings																
5. Transfer of other comprehensive income to retained earnings																
6. Others																
(v) Special reserve																
1. Appropriation to special reserve																
2. Use of special reserve																
(vi) Others																
IV. Closing balance of current year	3,172,924,177.07							230,829,528.03		230,666,411.23		680,083,235.76		4,314,503,352.09	222,070,070.01	4,536,573,422.10

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Year 2023																
Items	Shareholders' equity attributable to the parent															
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares	comprehensive income									
(iii) Profit distribution																
1. Appropriation to surplus reserve										12,517,264.81	-58,340,094.16			-45,822,829.35		-45,822,829.35
2. Appropriation to general risk reserve										12,517,264.81	-12,517,264.81					
3. Distributions to shareholders																
4. Others																
(iv) Internal transfer of shareholders' equity																
1. Capitalization of capital reserve																
2. Capitalization of surplus reserve																
3. Surplus Reserve Used to Offset Losses																
4. Transfer of changes in defined benefit plans to retained earnings																
5. Transfer of other comprehensive income to retained earnings																
6. Others																
(v) Special reserve																
1. Appropriation to special reserve																
2. Use of special reserve																
(vi) Others																
IV. Closing balance of current year	2,981,901,445.16						178,566,302.44			216,301,378.21		461,412,790.75		3,838,181,916.56	212,082,232.97	4,050,264,149.53

Year 2022

Items	Shareholders' equity attributable to the parent											Non-controlling interests	Total shareholders' equity			
	Paid-in capital (Share capital)	Other equity instruments			Less:		Other		Special reserve	Surplus reserve	△General risk reserve			Unappropriated profit	Others	Sub-total
		Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	comprehensive income									
I. Closing balance of prior year	2,830,103,213.90						-135,880,516.26		183,901,348.16		329,880,189.79		3,208,004,235.59	93,930,350.52	3,301,934,586.11	
Add: changes in accounting policies																
Corrections of prior period errors																
Others																
II. Opening balance of current year	2,830,103,213.90						-135,880,516.26		183,901,348.16		329,880,189.79		3,208,004,235.59	93,930,350.52	3,301,934,586.11	
III. Changes in current year (decrease expressed with "-")																
(i) Total comprehensive income	37,794,225.00						261,903,852.43		19,882,765.24		84,518,308.14		404,099,150.81	70,116,198.21	474,215,349.02	
(ii) Contributions by and distributions to owners																
1. Capital contributions from owners																
2. Capital contributions from other equity instruments holders																
3. Share-based payments recognized in shareholders' equity																
4. Others																

Year 2022																
Items	Shareholders' equity attributable to the parent															
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares	comprehensive income									
(iii) Profit distribution																
1. Appropriation to surplus reserve										19,882,765.24		-30,038,765.24		-10,156,000.00		-10,156,000.00
2. Appropriation to general risk reserve										19,882,765.24		-19,882,765.24				
3. Distributions to shareholders																
4. Others																
(iv) Internal transfer of shareholders' equity																
1. Capitalization of capital reserve																
2. Capitalization of surplus reserve																
3. Surplus Reserve Used to Offset Losses																
4. Transfer of changes in defined benefit plans to retained earnings																
5. Transfer of other comprehensive income to retained earnings																
6. Others																
(v) Special reserve																
1. Appropriation to special reserve																
2. Use of special reserve																
(vi) Others																
IV. Closing balance of current year	2,867,897,438.90							126,023,336.17		203,784,113.40		414,398,497.93		3,612,103,386.40	164,046,548.73	3,776,149,935.13

MCC TONGSIN RESOURCES LIMITED
NOTES TO THE FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1. GENERAL INFORMATION

MCC Tongsin Resources Limited (hereinafter referred to as the “Target Company”) was registered and established in the British Virgin Islands on January 18, 2007, with investment from Metallurgical Corporation of China Ltd. and upon approval of the Ministry of Commerce of the People’s Republic of China. Its legal representative is Wang Jicheng; registered capital is USD934.60 million; registered address is in the British Virgin Islands; and its headquarters is located at No. 28, Shuguang Xili, Chaoyang District, Beijing. The Target Company operates in the resource development industry.

The Target Company’s approved business scope includes the development, investment, operation, management and other related businesses of lead, zinc, copper, gold and other metal mineral resources in Pakistan and other countries or regions.

The parent company of the Target Company is Metallurgical Corporation of China Ltd., and the ultimate controlling party is China Minmetals Corporation.

2. BASIS OF PREPARATION AND PRESENTATION

The Unaudited Consolidated Financial Information of the Target Company comprise the unaudited consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, the unaudited consolidated income statements, the unaudited consolidated statements of cash flows, and the unaudited consolidated statements of changes in equity for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025 and explanatory notes (the “Unaudited Consolidated Financial Information”).

The Unaudited Consolidated Financial Information is prepared by the Target Company on a going concern basis.

The Unaudited Consolidated Financial Information has been prepared in accordance with the same accounting policies as those adopted by the Target Company in preparation of the consolidated financial statements of the Company for those respective years. The consolidated financial statements of the Target Company have been prepared in accordance with the Basic Standard of the Accounting Standards for Business Enterprises issued by the Ministry of Finance.

The Unaudited Consolidated Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in “Accounting Standard for Business Enterprises No.30 – Presentation of financial statements” and “Accounting Standard for Business Enterprises No. 32 – Interim financial reporting”. The information should be read in connection with the annual report issued by the Target Company for the relevant period.

The Unaudited Financial Information has been prepared refer to paragraph 68(2) (a) (1) of Chapter 14 of the Listing Rules solely for the purpose of inclusion in the Circular to be issued by Metallurgical Corporation of China Ltd. in connection with the very substantial disposal of the equity interest of the Target Company.

3. ACCOUNTS RECEIVABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	89,149,811.54	33,096,122.52	38,274,451.04	64,138,107.37
1-2 years (inclusive)	47,357.62	8,567,620.73		
Total	<u>89,197,169.16</u>	<u>41,663,743.25</u>	<u>38,274,451.04</u>	<u>64,138,107.37</u>
Bad debt provision				
Net Carrying Value of Accounts Receivable	<u><u>89,197,169.16</u></u>	<u><u>41,663,743.25</u></u>	<u><u>38,274,451.04</u></u>	<u><u>64,138,107.37</u></u>

4. ACCOUNTS PAYABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	480,837,954.17	403,325,767.87	288,219,597.37	180,505,721.75
1-2 years (inclusive)	16,848,588.72	16,452,508.72	1,699,657.51	3,346,012.08
2-3 years (inclusive)	990,282.96	990,282.96	1,069,984.50	501,461.56
Over 3 years	<u>64,748,456.98</u>	<u>71,812,915.48</u>	<u>70,277,549.94</u>	<u>71,705,749.46</u>
Total	<u><u>563,425,282.83</u></u>	<u><u>492,581,475.03</u></u>	<u><u>361,266,789.32</u></u>	<u><u>256,058,944.85</u></u>

5. OPERATING REVENUE

Item	Jan-Jul 2025	Year 2024	Year 2023	Year 2022
1. Main business subtotal	<u>1,760,718,503.72</u>	<u>2,367,431,688.90</u>	<u>1,771,340,212.93</u>	<u>1,499,562,846.37</u>
Incl:Resource Development	1,760,718,503.72	2,367,431,688.90	1,771,340,212.93	1,499,562,846.37
2. Other business revenue	<u>31,770,929.63</u>	<u>99,430,859.31</u>	<u>9,400,341.69</u>	<u>8,142,011.88</u>
Incl: Materials Sales Business	31,770,929.63	99,430,859.31	9,400,341.69	8,142,011.88
Total	<u><u>1,792,489,433.35</u></u>	<u><u>2,466,862,548.21</u></u>	<u><u>1,780,740,554.62</u></u>	<u><u>1,507,704,858.25</u></u>



大信會計師事務所
北京市海澱區知春路1號
學院國際大廈22層2206
郵編100083

WUYIGE Certified Public Accountants, LLP
Room 2206 22/F, Xueyuan International Tower
No.1 Zhichun Road, Haidian Dist.
Beijing, China, 100083

電話Telephone : +86 (10) 82330558
傳真Fax : +86 (10) 82327668
網址Internet : www.daxincpa.com.cn

Review Report

DAXIN YUE ZI [2025] No.1-00022

To Metallurgical Corporation of China Ltd. (the "Company") :

We have reviewed the accompanying financial statements of China Huaye Duddar Mining Co., Ltd. (hereinafter referred to as "the Target Company"), which comprise the balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and the income statements, cash flow statements, statements of changes in equity, and related notes for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025. The preparation of these financial statements is the responsibility of the Company's management. Our responsibility is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with Chinese Institute of Certified Public Accountants Review Standards No. 2101 – Review of Financial Statements. This Standard requires that we plan and perform the review to obtain limited assurance as to whether the financial statements are free from material misstatements. A review consists primarily of making inquiries of Company personnel and applying analytical procedures to financial data, and provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises, or that they do not present fairly, in all material respects, the financial position of the Company as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and its operating results and cash flows for the years then ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025.

The financial information has been prepared solely for the purpose of inclusion in the circular to be issued by the company in connection with the disposal of Target Company in accordance with the Hong Kong Main Board Listing Rule 14.68(2) (a) (i) (A).

WUYIGE Certified Public Accountants.

LLP Chinese Certified Public Accountant : Li Zhijun

China • Beijing

Chinese Certified Public Accountant : Liang Xuan

12 December 2025

Balance Sheet

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current assets:					
Cash and Cash Equivalents		169,203,329.77	129,402,470.83	117,524,340.27	211,592,699.78
△Settlement reserves					
△Loans to banks and other financial institutions					
Financial assets at fair value through profit or loss					
Derivative financial assets					
Notes receivable					
Accounts receivable	3	7,765,064.22		5,340,296.45	18,174,139.02
Receivables financing					
Prepayments		8,666,420.53	8,175,210.33	7,879,721.12	23,935,457.56
△Premium receivable					
△Reinsurance accounts receivable					
△Reinsurance reserves receivable					
Centralised management funds receivable					
Other receivables		59,956,903.19	76,606,334.71	42,130,108.94	27,411,239.63
Including: Interest receivable					
Dividends receivable					
△Financial assets purchased under reverse repurchase agreements					
Inventories		117,046,899.56	118,712,401.22	130,907,459.38	130,048,961.83
Including: Data Resources					
Contract assets					
Assets held for sale					
Non-current assets due within one year					
Other current assets					
Total current assets		<u>362,638,617.27</u>	<u>332,896,417.09</u>	<u>303,781,926.16</u>	<u>411,162,497.82</u>

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current assets :					
△Loans and advances					
Debt investments					
Other debt investments					
Long-term receivables					
Long-term equity investments					
Other equity instrument investments					
Other non-current financial assets					
Investment properties					
Fixed assets		294,771,616.84	316,272,963.17	346,557,106.45	368,524,463.93
Construction in progress		67,032,044.66	44,978,300.85	23,239,294.37	58,025,187.63
Bearer biological assets					
Oil and gas assets					
Right-of-use assets					
Intangible assets		20,007.17	29,291.51	4,777.00	9,032.39
Including: Data Resourcess					
Development expenditures					
Including: Data Resourcess					
Goodwill					
Long-term prepaid expenses					
Deferred tax assets					
Other non-current assets					
Total non-current assets		361,823,668.67	361,280,555.53	369,801,177.82	426,558,683.95
Total assets		724,462,285.94	694,176,972.62	673,583,103.98	837,721,181.77

Balance Sheet(Continued)

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current liabilities:					
Short-term borrowings					
△ Borrowings from central bank					
△ Loans from banks and other financial institutions					
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities					
Notes payable					
Accounts payable	4	76,070,737.45	53,328,347.52	41,931,372.31	95,936,774.42
Receipts in advance					
Contract liabilities		1,989,966.14	118,173,218.88	7,965,317.88	61,915,464.98
△ Financial assets sold under repurchase agreements					
△ Deposits from customers and interbank deposits					
△ Funds from securities trading brokerage business					
△ Funds from securities underwriting business					
Employee benefits payable		24,991,875.89	30,193,131.44	27,861,170.71	30,909,239.97
Tax and surcharge payable		227,779,844.46	103,563,026.63	2,580,614.11	12,144,514.78
Other payables		49,971,324.99	26,479,156.16	4,109,242.63	73,224,874.82
Including: Interest payable					
Dividends payable					66,329,628.88
△ Fees and commissions payable					
△ Reinsurance accounts payable					
Liabilities held for sale					
Non-current liabilities due within one year					
Other current liabilities					
Total current liabilities		380,803,748.93	331,736,880.63	84,447,717.64	274,130,868.97

APPENDIX II-D**FINANCIAL INFORMATION OF MCC DUDDAR**

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current liabilities:					
△ Insurance contract reserves					
Long-term borrowings					
Bonds payable					
Including: Preference shares					
Perpetual debts					
Lease liabilities					
Long-term payables		154,900,300.00	154,900,300.00	154,900,300.00	154,900,300.00
Long-term employee benefits payable					
Provisions		2,519,373.13	2,153,204.49	1,412,639.13	692,511.21
Deferred income					
Deferred tax liabilities					
Other non-current liabilities					
Total non-current liabilities		<u>157,419,673.13</u>	<u>157,053,504.49</u>	<u>156,312,939.13</u>	<u>155,592,811.21</u>
Total liabilities		<u>538,223,422.06</u>	<u>488,790,385.12</u>	<u>240,760,656.77</u>	<u>429,723,680.18</u>
Owners' equity (or Shareholders' equity):					
Paid-in capital (or share capital)		431,595.81	431,595.81	431,595.81	431,595.81
Other equity instruments					
Including: Preference shares					
Perpetual debts					
Capital reserve					
Less: Treasury shares					
Other comprehensive income		6,609,608.67	23,817,260.69	15,109,257.71	13,182,367.82
Special reserve					
Surplus reserve					
△ General risk reserve					
Unappropriated profit		<u>179,197,659.40</u>	<u>181,137,731.00</u>	<u>417,281,593.69</u>	<u>394,383,537.96</u>
Total owners' equity (or shareholders' equity)		<u>186,238,863.88</u>	<u>205,386,587.50</u>	<u>432,822,447.21</u>	<u>407,997,501.59</u>
Total liabilities and owners' equity (or shareholders' equity)		<u>724,462,285.94</u>	<u>694,176,972.62</u>	<u>673,583,103.98</u>	<u>837,721,181.77</u>

Income Statement

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
1. Total operating revenue		609,545,377.90	758,945,790.58	603,481,285.32	823,112,321.72
Including: Operating revenue	5	609,545,377.90	758,945,790.58	603,481,285.32	823,112,321.72
△Interest income					
△Earned premium					
△Fee and commission income					
2. Total operating costs		332,799,249.56	509,847,053.40	487,438,380.65	542,495,651.74
Including: Operating costs		236,784,355.70	376,752,274.81	367,823,476.34	410,688,529.54
△Interest expenses					
△Fee and commission expenses					
△Surrender value					
△Net claims paid					
△Net appropriation for insurance contracts reserves					
△Dividend expenses for policyholders					
△Reinsurance expenditures					
Taxes and surcharges		33,524,995.80	49,331,477.36	39,226,283.61	53,502,300.97
Selling expenses		3,946,180.42	9,106,098.75	8,975,196.46	9,607,766.66
Administrative expenses		39,579,469.19	65,929,664.11	66,497,085.05	69,558,491.89
Research and development expenses		18,680,050.88	11,536,400.38	6,527,886.15	11,343,837.57
Financial expenses		284,197.57	-2,808,862.01	-1,611,546.96	-12,205,274.89
Including: Interest expenses					
Interest income		290,905.89	518,763.64	317,168.44	26.37
Add: Other income					
Investment income (losses expressed with "-")					
Including: Investment income from associates and joint ventures					
Gains from derecognition of financial assets measured at amortized costs					

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
△Foreign exchange gains (losses expressed with “-”)					
Gains on hedge of a net position (losses expressed with “-”)					
Gains from changes in fair value (losses expressed with “-”)					
Credit impairment losses (losses expressed with “-”)		22,197.36	284,339.20	-369,669.53	565,073.05
Assets impairment losses (losses expressed with “-”)					
Gains on disposal of assets (losses expressed with “-”)					
3. Operating profit (loss expressed with “-”)		276,768,325.70	249,383,076.38	115,673,235.14	281,181,743.03
Add: Non-operating income					17,578.93
Less: Non-operating expenses					672,610.00
4. Total profit (loss expressed with “-”)		276,768,325.70	249,383,076.38	115,673,235.14	280,526,711.96
Less: Income tax expenses		127,362,415.41	98,621,492.32	2,055,525.35	
5. Net profit (net loss expressed with “-”)		149,405,910.29	150,761,584.06	113,617,709.79	280,526,711.96
A. Net profit from continuing operations (losses expressed with “-”)		149,405,910.29	150,761,584.06	113,617,709.79	280,526,711.96
B. Net profit from discontinued operations (losses expressed with “-”)					
6. Other comprehensive income, net of income tax		-17,207,652.02	8,708,002.98	1,926,889.89	44,064,976.28
A. Items that will not be reclassified subsequently to profit or loss					
1. Remeasurement Changes of Defined Benefit Plans					
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method					
3. Fair value changes of investments in other equity instruments					
4. Fair value changes of the entity’s own credit risk					

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
B. Items that may be reclassified subsequently to profit or loss		-17,207,652.02	8,708,002.98	1,926,889.89	44,064,976.28
1. Other comprehensive income that can be reclassified to profit or loss under equity method					
2. Fair Value Changes of Other Debt Investments					
3. Other comprehensive income from reclassification of financial assets					
4. Debt instrument measured at fair value through other comprehensive income – Credit loss allowance					
5. Cash flow hedge reserve (Effective portion of gains or losses on cash flow hedge)					
6. Translation differences of financial statements presented in foreign currencies		-17,207,652.02	8,708,002.98	1,926,889.89	44,064,976.28
7. Others					
7. Total comprehensive income		132,198,258.27	159,469,587.04	115,544,599.68	324,591,688.24
8. Earnings per share					
Basic earnings per share (yuan per share)					
Diluted earnings per share (yuan per share)					

Statement of Cash Flows

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul2025	Year2024	Year2023	Year2022
1. Cash flows from operating activities:				
Cash received from sales of goods or rendering of services	485,706,518.57	873,705,138.56	561,811,984.32	870,602,281.87
△Net increase in customer deposits and due to banks and other financial institutions				
△Net increase in borrowings from the Central Bank				
△Net increase in borrowings from other financial institutions				
△Cash received for insurance contract premium				
△Net cash received from reinsurance contracts				
△Net increase in deposits and investments from policyholders				
△Cash received for interest, fee and commission				
△Net increase in borrowings from banks				
△Net cash increase under repurchase agreements				
△Net increase received from securities trading brokerage business				
Refunds of taxes and surcharges				
Cash received relating to other operating activities				17,605.30
Sub-total of cash inflows from operating activities	<u>485,706,518.57</u>	<u>873,705,138.56</u>	<u>561,811,984.32</u>	<u>870,619,887.17</u>
 Cash paid for goods and services	 81,148,173.71	 202,400,772.50	 312,077,194.86	 166,881,886.06
△Net increase in loans and advances to customers				
△Net increase in deposit in the Central Bank and due from banks and other financial institutions				
△Cash paid for claims in insurance contracts				
△Net increase in funds lent under repurchase agreements				
△Cash paid for interest, fee and commission				
△Cash paid for dividends for policyholders				
Cash paid to and on behalf of employees	81,870,109.77	108,987,347.25	120,191,438.25	133,114,892.03
Cash paid for taxes and surcharges	36,882,512.05	46,516,127.80	50,922,499.85	47,461,110.73
Cash paid relating to other operating activities	<u>54,005,244.48</u>	<u>58,026,255.31</u>	<u>43,531,468.70</u>	<u>73,841,847.04</u>
Sub-total of cash outflows from operating activities	<u>253,906,040.01</u>	<u>415,930,502.86</u>	<u>526,722,601.66</u>	<u>421,299,735.86</u>
 Net cash flows from operating activities	 <u>231,800,478.56</u>	 <u>457,774,635.70</u>	 <u>35,089,382.66</u>	 <u>449,320,151.31</u>

Items	Jan-Jul2025	Year2024	Year2023	Year2022
2. Cash flows from investing activities:				
Cash received from disposal of investments				
Cash received from investment income				
Net cash received from disposal of fixed assets, intangible assets and other long-term assets				
Net cash received from disposal of subsidiaries and other business units				
Cash received relating to other investing activities				
Sub-total of cash inflows from investing activities				
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	39,951,576.59	39,474,116.49	20,390,023.37	28,543,438.05
Cash paid for acquisition of investments				
△Net increase in mortgage loans				
Cash paid for obtaining subsidiaries and other business units				
Cash paid relating to other investing activities				
Sub-total of cash outflows from investing activities	39,951,576.59	39,474,116.49	20,390,023.37	28,543,438.05
Net cash flows from investing activities	-39,951,576.59	-39,474,116.49	-20,390,023.37	-28,543,438.05
3. Cash flows from financing activities:				
Cash received from capital contributions				
Including: Cash received from non-controlling shareholders' capital contributions to subsidiaries				
Cash received from borrowings				
Cash received relating to other financing activities				
Sub-total of cash inflows from financing activities				

APPENDIX II-D**FINANCIAL INFORMATION OF MCC DUDDAR**

Items	Jan-Jul2025	Year2024	Year2023	Year2022
Cash repayments of borrowings				
Cash payments for distribution of dividends, profits, or for interest expenses	151,345,981.89	386,905,446.75	90,719,654.06	385,485,984.85
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling shareholders				53,030,309.20
Cash paid relating to other financing activities		21,364,779.52	21,139,712.43	
Sub-total of cash outflows from financing activities	<u>151,345,981.89</u>	<u>408,270,226.27</u>	<u>111,859,366.49</u>	<u>385,485,984.85</u>
Net cash flows from financing activities	<u>-151,345,981.89</u>	<u>-408,270,226.27</u>	<u>-111,859,366.49</u>	<u>-385,485,984.85</u>
4. Effect of foreign exchange rate changes on cash and cash equivalents	-702,061.14	1,847,837.62	3,091,647.69	15,990,607.72
5. Net increase/(decrease) in cash and cash equivalents	39,800,858.94	11,878,130.56	-94,068,359.51	51,281,336.13
Add: Opening balance of cash and cash equivalents	129,402,470.83	117,524,340.27	211,592,699.78	160,311,363.65
6. Closing balance of cash and cash equivalents	<u><u>169,203,329.77</u></u>	<u><u>129,402,470.83</u></u>	<u><u>117,524,340.27</u></u>	<u><u>211,592,699.78</u></u>

Statement of Changes in Equity

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul2025						Total
	Paid-in capital (Share capital)	Other equity instruments		Capital reserve	Less: Treasury shares	Other comprehensive income	
		Preference shares	Perpetual debts	Others			
I. Closing balance of prior year	431,595.81					23,817,260.69	205,386,587.50
Add: changes in accounting policies							
Corrections of prior period errors							
Others							
II. Opening balance of current year	431,595.81					23,817,260.69	205,386,587.50
III. Changes in current year (decrease expressed with “-”)							
(i) Total comprehensive income						-17,207,652.02	-19,147,723.62
(ii) Contributions by and distributions to owners						-17,207,652.02	132,198,258.27
1. Capital contributions from owners							
2. Capital contributions from other equity instruments holders							
3. Share-based payments recognized in shareholders' equity							
4. Others							

Items	Jan-Jul2025					Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Un appropriated profit	Total shareholders' equity
	Paid-in-capital (Share capital)	Other equity instruments		Others	Capital reserve								
		Preference shares	Perpetual debts										
(iii) Profit distribution													
1. Appropriation to surplus reserve													
2. Appropriation to general risk reserve													
3. Distributions to shareholders													
4. Others													
(iv) Internal transfer of shareholders' equity													
1. Capitalization of capital reserve													
2. Capitalization of surplus reserve													
3. Surplus Reserve Used to Offset Losses													
4. Transfer of changes in defined benefit plans to retained earnings													
5. Transfer of other comprehensive income to retained earnings													
6. Others													
(v) Special reserve													
1. Appropriation to special reserve									4,572,209.69				4,572,209.69
2. Use of special reserve									-4,572,209.69				-4,572,209.69
(vi) Others													
IV. Closing balance of current year	431,595.81							6,609,608.67				179,197,659.40	186,238,863.88

Statement of Changes in Equity (Continued)

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Year 2024										Total shareholders' equity
	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	
		Preference shares	Perpetual debits	Others	Capital reserve						
I. Closing balance of prior year	431,595.81										
Add: changes in accounting policies											
Corrections of prior period errors											
Others											
II. Opening balance of current year	431,595.81										
III. Changes in current year (decrease expressed with "-")											
(i) Total comprehensive income											
(ii) Contributions by and distributions to owners											
1. Capital contributions from owners											
2. Capital contributions from other equity instruments holders											
3. Share-based payments recognized in shareholders' equity											
4. Others											
						15,109,257.71				417,281,593.69	432,822,447.21
						15,109,257.71				417,281,593.69	432,822,447.21
						8,708,002.98				-236,143,862.69	-227,435,859.71
						8,708,002.98				150,761,584.06	159,469,587.04

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Statement of Changes in Equity (Continued)

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Year 2023										
	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Un appropriated profit	Total shareholders' equity
		Preference shares	Perpetual debts	Others							
I. Closing balance of prior year	431,595.81					13,182,367.82				394,383,537.96	407,997,501.59
Add: changes in accounting policies											
Corrections of prior period errors											
Others											
II. Opening balance of current year	431,595.81					13,182,367.82				394,383,537.96	407,997,501.59
III. Changes in current year (decrease expressed with “-”)											
(i) Total comprehensive income						1,926,889.89				22,898,055.73	24,824,945.62
(ii) Contributions by and distributions to owners						1,926,889.89				113,617,709.79	115,544,599.68
1. Capital contributions from owners											
2. Capital contributions from other equity instruments holders											
3. Share-based payments recognized in shareholders' equity											
4. Others											

Items	Year 2023									
	Paid-in capital			Other equity instruments			Less: Treasury		Other comprehensive income	Total shareholders' equity
	(Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	shares	Special reserve	Surplus reserve		
(iii) Profit distribution										
1. Appropriation to surplus reserve										
2. Appropriation to general risk reserve										
3. Distributions to shareholders										
4. Others										
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	431,595.81								15,109,257.71	432,822,447.21

Prepared by: China Huaye Duddar Mining Co., Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Year 2022									
	Paid-in capital (Share capital)	Other equity instruments		Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Un appropriated profit	Total shareholders' equity
		Preference shares	Perpetual debts							
I. Closing balance of prior year	431,595.81				-30,882,608.46				565,672,439.73	535,221,427.08
Add: changes in accounting policies										
Corrections of prior period errors										
Others										
II. Opening balance of current year	431,595.81				-30,882,608.46				565,672,439.73	535,221,427.08
III. Changes in current year (decrease expressed with “-”)										
(i) Total comprehensive income					44,064,976.28				-171,288,901.77	-127,223,925.49
(ii) Contributions by and distributions to owners					44,064,976.28				280,526,711.96	324,591,688.24
1. Capital contributions from owners										
2. Capital contributions from other equity instruments holders										
3. Share-based payments recognized in shareholders' equity										
4. Others										

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China Huaye Duddar Mining Co., Ltd.
NOTES TO THE FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1. GENERAL INFORMATION

China Huaye Duddar Mining Co., Ltd. (hereinafter referred to as the “**Target Company**”) is a limited liability company registered and established in Quetta, Pakistan on October 1, 2014, upon approval of the Company Registration Office (Quetta) of the Securities and Exchange Commission of Pakistan, with investment from China Huaye Engineering Group Co., Ltd. It has obtained a business license for legal persons with the registration number 0090111; its legal representative is Ma Weiqing; the registered capital is RMB431,595.81; and the registered address is Duda Export Processing Zone, Lasbela District, Balochistan Province, Pakistan.

The Target Company’s business scope is the mining and beneficiation of lead-zinc ores.

The parent company of the Target Company is China Huaye Group Co., Ltd., and the ultimate controlling party is China Minmetals Corporation.

2. BASIS OF PREPARATION AND PRESENTATION

The Unaudited Financial Information of the Target Company comprise the unaudited balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, the unaudited income statements, the unaudited statements of cash flows, and the unaudited statements of changes in equity for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025 and explanatory notes (the “Unaudited Financial Information”).

The Unaudited Financial Information is prepared by the Target Company on a going concern basis.

The Unaudited Financial Information has been prepared in accordance with the same accounting policies as those adopted by the Target Company in preparation of the financial statements of the Company for those respective years. The financial statements of the Target Company have been prepared in accordance with the Basic Standard of the Accounting Standards for Business Enterprises issued by the Ministry of Finance.

The Unaudited Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in “Accounting Standard for Business Enterprises No.30 – Presentation of financial statements” and “Accounting Standard for Business Enterprises No. 32 – Interim financial reporting”. The information should be read in connection with the annual report issued by the Target Company for the relevant period.

The Unaudited Financial Information has been prepared refer to paragraph 68(2) (a) (1) of Chapter 14 of the Listing Rules solely for the purpose of inclusion in the Circular to be issued by Metallurgical Corporation of China Ltd. in connection with the very substantial disposal of the equity interest of the Target Company.

3. ACCOUNTS RECEIVABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	7,765,064.22		5,681,166.47	18,174,139.02
Total	<u>7,765,064.22</u>		<u>5,681,166.47</u>	<u>18,174,139.02</u>
Bad debt provision			340,870.02	
Net Carrying Value of Accounts Receivable	<u>7,765,064.22</u>		<u>5,340,296.45</u>	<u>18,174,139.02</u>

4. ACCOUNTS PAYABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	76,070,737.45	53,328,347.52	41,931,372.31	95,936,774.42
Total	<u>76,070,737.45</u>	<u>53,328,347.52</u>	<u>41,931,372.31</u>	<u>95,936,774.42</u>

5. OPERATING REVENUE

Item	Jan-Jul 2025	Year 2024	Year 2023	Year 2022
1. Main business subtotal	609,545,377.90	758,945,790.58	603,481,285.32	823,112,321.72
Incl : Resource Development	<u>609,545,377.90</u>	<u>758,945,790.58</u>	<u>603,481,285.32</u>	<u>823,112,321.72</u>
Total	<u>609,545,377.90</u>	<u>758,945,790.58</u>	<u>603,481,285.32</u>	<u>823,112,321.72</u>



大信會計師事務所
北京市海澱區知春路1號
學院國際大廈22層2206
郵編100083

WUYIGE Certified Public Accountants, LLP
Room 2206 22/F, Xueyuan International Tower
No.1 Zhichun Road, Haidian Dist.
Beijing, China, 100083

電話Telephone : +86 (10) 82330558
傳真Fax : +86 (10) 82327668
網址Internet : www.daxincpa.com.cn

REVIEW REPORT

DAXIN YUE ZI [2025] No.1-00025

To Metallurgical Corporation of China Ltd. (the “**Company**”):

We have reviewed the accompanying consolidated financial statements of MCC-JJJ Mining Development Company Limited (hereinafter referred to as “the Target Company”), which comprise the consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and the consolidated income statements, consolidated cash flow statements, consolidated statements of changes in equity, and related notes for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025. The preparation of these financial statements is the responsibility of the Company’s management. Our responsibility is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with Chinese Institute of Certified Public Accountants Review Standards No. 2101 – Review of Financial Statements. This Standard requires that we plan and perform the review to obtain limited assurance as to whether the financial statements are free from material misstatements. A review consists primarily of making inquiries of Company personnel and applying analytical procedures to financial data, and provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises, or that they do not present fairly, in all material respects, the consolidated financial position of the Company as at 31.

December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and its consolidated operating results and cash flows for the years then ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025.

The financial information has been prepared solely for the purpose of inclusion in the circular to be issued by the company in connection with the disposal of Target Company in accordance with the Hong Kong Main Board Listing Rule 14.68(2) (a) (i) (A).

WUYIGE Certified Public Accountants,LLP

Chinese Certified Public Accountant : Li Zhijun

China • Beijing

Chinese Certified Public Accountant : Liang Xuan

12 December 2025

CONSOLIDATED BALANCE SHEET

Prepared by: MCC-JJJ Mining Development Company Limited

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current assets:					
Cash and Cash Equivalents		245,047,976.15	119,830,377.04	39,192,024.02	406,561,951.11
△Settlement reserves					
△Loans to banks and other financial institutions					
Financial assets at fair value through profit or loss					
Derivative financial assets					
Notes receivable					
Accounts receivable	3	4,456,136.82	137,165,252.90	140,403,611.61	66,052,145.50
Receivables financing					
Prepayments		114,102,533.31	70,983,441.05	60,415,630.42	50,569,580.48
△Premium receivable					
△Reinsurance accounts receivable					
△Reinsurance reserves receivable					
Centralised management funds receivable		26,153,105.46	55,107,521.53	35,431,674.01	766,460,000.00
Other receivables		328,446,601.19	779,883,643.87	715,249,856.71	20,872,788.18
Including: Interest receivable					11,514.87
Dividends receivable					
△Financial assets purchased under reverse repurchase agreements					
Inventories		724,312,147.68	572,406,255.29	741,247,915.47	865,110,094.22
Including: Data Resourcess					
Contract assets					
Assets held for sale					
Non-current assets due within one year					
Other current assets		38,320,034.50			
Total current assets		<u>1,480,838,535.11</u>	<u>1,735,376,491.68</u>	<u>1,731,940,712.24</u>	<u>2,175,626,559.49</u>

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current assets :					
△Loans and advances					
Debt investments					
Other debt investments					
Long-term receivables		471,431,500.99	487,336,913.79	615,559,493.13	901,753,409.99
Long-term equity investments					
Other equity instrument investments					
Other non-current financial assets					
Investment properties					
Fixed assets		4,608,491,093.60	4,774,356,923.84	5,129,258,718.56	5,498,701,571.38
Construction in progress		52,063,372.74	173,091,256.62	49,200,633.82	46,092,790.12
Bearer biological assets					
Oil and gas assets					
Right-of-use assets				3,416,361.03	6,832,722.05
Intangible assets		61,784,658.02	55,346,542.64	97,730,702.88	13,408,647.06
Including: Data Resourcecess					
Development expenditures					
Including: Data Resourcecess					
Goodwill					
Long-term prepaid expenses		1,287,612.16	879,682.46		
Deferred tax assets					
Other non-current assets					
Total non-current assets		5,195,058,237.51	5,491,011,319.35	5,895,165,909.42	6,466,789,140.60
Total assets		6,675,896,772.62	7,226,387,811.03	7,627,106,621.66	8,642,415,700.09

APPENDIX II-E
FINANCIAL INFORMATION OF MCC-JJJ MINING

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current liabilities:					
Short-term borrowings		300,000,000.00			
△Borrowings from central bank					
△Loans from banks and other financial institutions					
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities					
Notes payable					
Accounts payable	4	367,768,582.33	361,420,105.08	316,729,521.65	337,928,184.70
Receipts in advance					
Contract liabilities		165,436,418.38	3,831,980.91	2,081,304.87	7,335,381.37
△Financial assets sold under repurchase agreements					
△Deposits from customers and interbank deposits					
△Funds from securities trading brokerage business					
△Funds from securities underwriting business					
Employee benefits payable					
Tax and surcharge payable		428,524,628.21	389,566,673.53	282,428,276.91	293,321,633.72
Other payables		1,541,520,628.29	2,805,504,875.91	3,770,935,943.90	5,952,320,355.14
Including: Interest payable		320,000.00		236,680,311.86	97,378,489.23
Dividends payable					
△Fees and commissions payable					
△Reinsurance accounts payable					
Liabilities held for sale					
Non-current liabilities due within one year		12,519,218.75	12,505,156.25	3,261,524.90	3,418,979.49
Other current liabilities		472,456.10			
Total current liabilities		2,816,241,932.06	3,572,828,791.68	4,375,436,572.23	6,594,324,534.42

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current liabilities:					
△Insurance contract reserves					
Long-term borrowings				12,500,000.00	12,500,000.00
Bonds payable					
Including: Preference shares					
Perpetual debts					
Lease liabilities				280,521.96	3,496,827.21
Long-term payables					
Long-term employee benefits payable					
Provisions		261,333,846.78	262,394,371.23	347,877,285.46	213,072,503.24
Deferred income		150,000.00		2,066,046.96	3,394,600.00
Deferred tax liabilities					
Other non-current liabilities					
Total non-current liabilities		261,483,846.78	262,394,371.23	362,723,854.38	232,463,930.45
Total liabilities		3,077,725,778.84	3,835,223,162.91	4,738,160,426.61	6,826,788,464.87

Items	Notes	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Owners' equity (or Shareholders' equity):					
Paid-in capital (or share capital)		3,095,702,600.00	3,095,702,600.00	3,095,702,600.00	3,095,702,600.00
Other equity instruments					
Including: Preference shares					
Perpetual debts					
Capital reserve		443,000.00	443,000.00	443,000.00	443,000.00
Less: Treasury shares					
Other comprehensive income		245,783,247.64	268,554,745.56	212,177,263.76	166,236,076.60
Special reserve					
Surplus reserve		191,143.93	191,143.93	191,143.93	191,143.93
△ General risk reserve					
Unappropriated profit		256,051,002.21	26,273,158.63	-419,567,812.64	-1,446,945,585.31
Total owners' equity (or shareholders' equity)					
attributable to the parent		3,598,170,993.78	3,391,164,648.12	2,888,946,195.05	1,815,627,235.22
* Non-controlling interests					
Total owners' equity (or shareholders' equity)		<u>3,598,170,993.78</u>	<u>3,391,164,648.12</u>	<u>2,888,946,195.05</u>	<u>1,815,627,235.22</u>
Total liabilities and owners' equity					
(or shareholders' equity)		<u>6,675,896,772.62</u>	<u>7,226,387,811.03</u>	<u>7,627,106,621.66</u>	<u>8,642,415,700.09</u>

CONSOLIDATED INCOME STATEMENT

Prepared by: MCC-JJJ Mining Development Company Limited

(Expressed in Renminbi unless otherwise indicated)

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
1. Total operating revenue		1,607,908,318.57	2,965,225,491.92	3,875,116,815.13	4,745,552,141.83
Including: Operating revenue	5	1,607,908,318.57	2,965,225,491.92	3,875,116,815.13	4,745,552,141.83
△Interest income					
△Earned premium					
△Fee and commission income					
2. Total operating costs		1,326,306,669.87	2,502,706,291.69	2,838,030,187.78	3,480,656,337.69
Including: Operating costs		1,168,923,372.54	2,204,230,487.76	2,472,378,628.49	3,062,316,635.23
△Interest expenses					
△Fee and commission expenses					
△Surrender value					
△Net claims paid					
△Net appropriation for insurance contracts reserves					
△Dividend expenses for policyholders					
△Reinsurance expenditures					
Taxes and surcharges		37,384,944.36	68,823,025.19	92,823,089.86	113,555,304.74
Selling expenses		17,011,905.46	33,398,273.92	32,389,416.79	22,064,779.15
Administrative expenses		63,600,941.72	119,676,816.35	111,955,529.55	80,202,205.70
Research and development expenses		11,739,894.06	4,920,173.64	10,323.00	
Financial expenses		27,645,611.73	71,657,514.83	128,473,200.09	202,517,412.87
Including: Interest expenses		38,346,604.53	117,325,523.60	149,171,744.09	204,017,708.19
Interest income		8,464,417.89	39,066,821.31	18,833,158.05	3,254,470.34
Add: Other income		48,699.75	24,649.48		
Investment income (losses expressed with "-")					
Including: Investment income from associates and joint ventures					

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
Gains from derecognition of financial assets measured at amortized costs					
△ Foreign exchange gains (losses expressed with “-”)					
Gains on hedge of a net position (losses expressed with “-”)					
Gains from changes in fair value (losses expressed with “-”)					
Credit impairment losses (losses expressed with “-”)		-4,373,551.67	-292,198.72	-109,759.96	1,201,011.08
Assets impairment losses (losses expressed with “-”)		-47,506,427.62			
Gains on disposal of assets (losses expressed with “-”)			-143.45		
3. Operating profit (loss expressed with “-”)		229,770,369.16	462,251,507.54	1,036,976,867.39	1,266,096,815.22
Add: Non-operating income		15,000.00	2,449,550.00	2,444,550.00	2,000,000.00
Less: Non-operating expenses		1,439,423.41	4,869,527.47	10,383,924.67	931,138.75
4. Total profit (loss expressed with “-”)		228,345,945.75	459,831,530.07	1,029,037,492.72	1,267,165,676.47
Less: Income tax expenses		-1,431,897.83	13,990,558.80	1,659,720.05	
5. Net profit (net loss expressed with “-”)		229,777,843.58	445,840,971.27	1,027,377,772.67	1,267,165,676.47
Including: Net Profit Of the Acquiree Earned before Combination					
A. Classified by continuing and discontinued operations					
1. Net profit from continuing operations (losses expressed with “-”)		229,777,843.58	445,840,971.27	1,027,377,772.67	1,267,165,676.47
2. Net profit from discontinued operations (losses expressed with “-”)					
B. Attributable to					
1. Shareholders of the parent		229,777,843.58	445,840,971.27	1,027,377,772.67	1,267,165,676.47
*2. Non-controlling interests					

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
6. Other comprehensive income, net of income					
tax		-22,771,497.92	56,377,481.80	45,941,187.16	137,983,434.07
Attributable to shareholders of the parent		-22,771,497.92	56,377,481.80	45,941,187.16	137,983,434.07
A. Items that will not be reclassified subsequently to profit or loss					
1. Remeasurement Changes of Defined Benefit Plans					
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method					
3. Fair value changes of investments in other equity instruments					
4. Fair value changes of the entity's own credit risk					
B. Items that may be reclassified subsequently to profit or loss		-22,771,497.92	56,377,481.80	45,941,187.16	137,983,434.07
1. Other comprehensive income that can be reclassified to profit or loss under equity method					
2. Fair Value Changes of Other Debt Investments					
3. Other comprehensive income from reclassification of financial assets					
4. Debt instrument measured at fair value through other comprehensive income – Credit loss allowance					
5. Cash flow hedge reserve (Effective portion of gains or losses on cash flow hedge)					
6. Translation differences of financial statements presented in foreign currencies		-22,771,497.92	56,377,481.80	45,941,187.16	137,983,434.07
7. Others					
* Attributable to non-controlling interests					

Items	Notes	Jan-Jul2025	Year2024	Year2023	Year2022
7. Total comprehensive income		207,006,345.66	502,218,453.07	1,073,318,959.83	1,405,149,110.54
Attributable to shareholders of the parent		207,006,345.66	502,218,453.07	1,073,318,959.83	1,405,149,110.54
* Attributable to non-controlling interests					
8. Earnings per share					
Basic earnings per share (yuan per share)					
Diluted earnings per share (yuan per share)					

CONSOLIDATED STATEMENT OF CASH FLOWS

Prepared by: MCC-JJJ Mining Development Company Limited

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul2025	Year2024	Year2023	Year2022
1. Cash flows from operating activities:				
Cash received from sales of goods or rendering of services	1,999,175,148.45	3,090,112,178.87	3,993,163,695.72	4,783,450,175.26
△Net increase in customer deposits and due to banks and other financial institutions				
△Net increase in borrowings from the Central Bank				
△Net increase in borrowings from other financial institutions				
△Cash received for insurance contract premium				
△Net cash received from reinsurance contracts				
△Net increase in deposits and investments from policyholders				
△Cash received for interest, fee and commission				
△Net increase in borrowings from banks				
△Net cash increase under repurchase agreements				
△Net increase received from securities trading brokerage business				
Refunds of taxes and surcharges	11,438,333.89	24,943,393.14	14,509,251.29	12,910,073.40
Cash received relating to other operating activities	17,344,455.74	125,760,825.95	36,741,987.26	21,669,090.94
Sub-total of cash inflows from operating activities	2,027,957,938.08	3,240,816,397.96	4,044,414,934.27	4,818,029,339.60
Cash paid for goods and services	1,095,889,966.55	1,499,996,749.65	1,729,153,831.45	1,857,477,244.94
△Net increase in loans and advances to customers				
△Net increase in deposit in the Central Bank and due from banks and other financial institutions				
△Cash paid for claims in insurance contracts				
△Net increase in funds lent under repurchase agreements				
△Cash paid for interest, fee and commission				
△Cash paid for dividends for policyholders				
Cash paid to and on behalf of employees	187,263,831.60	349,635,215.82	316,478,354.81	303,987,607.20
Cash paid for taxes and surcharges	28,503,214.69	79,342,848.69	115,228,624.48	56,034,238.63
Cash paid relating to other operating activities	82,850,260.36	158,994,343.86	183,385,183.86	161,931,182.88
Sub-total of cash outflows from operating activities	1,394,507,273.20	2,087,969,158.02	2,344,245,994.60	2,379,430,273.65
Net cash flows from operating activities	633,450,664.88	1,152,847,239.94	1,700,168,939.67	2,438,599,065.95

Items	Jan-Jul2025	Year2024	Year2023	Year2022
2. Cash flows from investing activities:				
Cash received from disposal of investments				
Cash received from investment income				
Net cash received from disposal of fixed assets, intangible assets and other long-term assets				
Net cash received from disposal of subsidiaries and other business units				
Cash received relating to other investing activities	1,685,149,000.00	2,578,908,564.27	2,043,076,000.00	1,663,030,586.72
Sub-total of cash inflows from investing activities	<u>1,685,149,000.00</u>	<u>2,578,908,564.27</u>	<u>2,043,076,000.00</u>	<u>1,663,030,586.72</u>
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	53,561,258.83	66,504,517.94	38,717,208.91	9,427,231.06
Cash paid for acquisition of investments				
△ Net increase in mortgage loans				
Cash paid for obtaining subsidiaries and other business units				
Cash paid relating to other investing activities	1,180,216,000.00	2,614,517,406.00	2,000,966,160.00	1,797,003,000.00
Sub-total of cash outflows from investing activities	<u>1,233,777,258.83</u>	<u>2,681,021,923.94</u>	<u>2,039,683,368.91</u>	<u>1,806,430,231.06</u>
Net cash flows from investing activities	<u>451,371,741.17</u>	<u>-102,113,359.67</u>	<u>3,392,631.09</u>	<u>-143,399,644.34</u>
3. Cash flows from financing activities:				
Cash received from capital contributions				
Including: Cash received from non-controlling shareholders' capital contributions to subsidiaries				
Cash received from borrowings	300,000,000.00			111,636,409.43
Cash received relating to other financing activities		3,047,588,378.94	3,030,081,000.00	348,805,000.00
Sub-total of cash inflows from financing activities	<u>300,000,000.00</u>	<u>3,047,588,378.94</u>	<u>3,030,081,000.00</u>	<u>460,441,409.43</u>

Items	Jan-Jul2025	Year2024	Year2023	Year2022
Cash repayments of borrowings				2,526,306,309.43
Cash payments for distribution of dividends, profits, or for interest expenses	14,552,745.30	87,332,659.32	179,188,575.32	113,679,178.88
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling shareholders				
Cash paid relating to other financing activities	<u>1,302,600,307.34</u>	<u>4,115,302,691.48</u>	<u>5,228,572,197.75</u>	<u>371,489,490.25</u>
Sub-total of cash outflows from financing activities	<u>1,317,153,052.64</u>	<u>4,202,635,350.80</u>	<u>5,407,760,773.07</u>	<u>3,011,474,978.56</u>
Net cash flows from financing activities	<u>-1,017,153,052.64</u>	<u>-1,155,046,971.86</u>	<u>-2,377,679,773.07</u>	<u>-2,551,033,569.13</u>
4. Effect of foreign exchange rate changes on cash and cash equivalents	57,548,245.70	184,951,444.61	306,748,275.22	365,056,718.52
5. Net increase/(decrease) in cash and cash equivalents	125,217,599.11	80,638,353.02	-367,369,927.09	109,222,571.00
Add: Opening balance of cash and cash equivalents	119,830,377.04	39,192,024.02	406,561,951.11	297,339,380.11
6. Closing balance of cash and cash equivalents	<u><u>245,047,976.15</u></u>	<u><u>119,830,377.04</u></u>	<u><u>39,192,024.02</u></u>	<u><u>406,561,951.11</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Prepared by: MCC-JJJ Mining Development Company Limited

(Expressed in Renminbi unless otherwise indicated)

Jan-Jul2025															
Shareholders' equity attributable to the parent															
Items	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other		Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		comprehensive income									
I. Closing balance of prior year	3,095,702,600.00						268,554,745.56		191,143.93		26,273,158.63		3,391,164,648.12	3,391,164,648.12	
Add: changes in accounting policies															
Corrections of prior period errors															
Others															
II. Opening balance of current year	3,095,702,600.00						268,554,745.56		191,143.93		26,273,158.63		3,391,164,648.12	3,391,164,648.12	
III. Changes in current year (decrease expressed with “-”)															
(i) Total comprehensive income							-22,771,497.92				229,777,843.58		207,006,345.66	207,006,345.66	207,006,345.66
(ii) Contributions by and distributions to owners							-22,771,497.92				229,777,843.58		207,006,345.66	207,006,345.66	207,006,345.66
1. Capital contributions from owners															
2. Capital contributions from other equity instruments holders															
3. Share-based payments recognized in shareholders' equity															
4. Others															

Jan-Jul2025										
Items	Shareholders' equity attributable to the parent									
	Paid-in capital (Share capital)			Other equity instruments			Less:		Non-controlling interests	
	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Unappropriated profit
										Others
										Sub-total
(iii) Profit distribution										
1. Appropriation to surplus reserve										
2. Appropriation to general risk reserve										
3. Distributions to shareholders										
4. Others										
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	3,095,702,600.00			443,000.00		245,783,247.64		191,143.93		256,051,002.21
										3,598,170,993.78
										3,598,170,993.78

Items	Year 2024															
	Shareholders' equity attributable to the parent															
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares										
I. Closing balance of prior year	3,095,702,600.00			443,000.00			212,177,263.76		191,143.93		-419,567,812.64		2,888,946,195.05		2,888,946,195.05	
Add: changes in accounting policies																
Corrections of prior period errors																
Others																
II. Opening balance of current year	3,095,702,600.00			443,000.00			212,177,263.76		191,143.93		-419,567,812.64		2,888,946,195.05		2,888,946,195.05	
III. Changes in current year (decrease expressed with “-”)																
(i) Total comprehensive income							56,377,481.80				445,840,971.27		502,218,453.07		502,218,453.07	
(ii) Contributions by and distributions to owners							56,377,481.80				445,840,971.27		502,218,453.07		502,218,453.07	
1. Capital contributions from owners																
2. Capital contributions from other equity instruments holders																
3. Share-based payments recognized in shareholders' equity																
4. Others																
(iii) Profit distribution																
1. Appropriation to surplus reserve																
2. Appropriation to general risk reserve																
3. Distributions to shareholders																
4. Others																

Year 2024																
Shareholders' equity attributable to the parent																
Items	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others		Treasury shares										
(iv) Internal transfer of shareholders' equity																
1. Capitalization of capital reserve																
2. Capitalization of surplus reserve																
3. Surplus Reserve Used to Offset Losses																
4. Transfer of changes in defined benefit plans to retained earnings																
5. Transfer of other comprehensive income to retained earnings																
6. Others																
(v) Special reserve																
1. Appropriation to special reserve																
2. Use of special reserve																
(vi) Others																
IV. Closing balance of current year	3,095,702,600.00				443,000.00			268,554,745.56		191,143.93		26,273,158.63		3,391,164,648.12		3,391,164,648.12

Items	Year 2023													
	Shareholders' equity attributable to the parent													
	Paid-in capital (Share capital)	Other equity instruments			Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non-controlling interests	Total shareholders' equity
		Preference shares	Perpetual debts	Others										
I. Closing balance of prior year	3,095,702,600.00			443,000.00		166,236,076.60		191,143.93	-1,446,945,585.31			1,815,627,235.22		1,815,627,235.22
Add: changes in accounting policies														
Corrections of prior period errors														
Others														
II. Opening balance of current year	3,095,702,600.00			443,000.00		166,236,076.60		191,143.93	-1,446,945,585.31			1,815,627,235.22		1,815,627,235.22
III. Changes in current year (decrease expressed with “-”)														
(i) Total comprehensive income						45,941,187.16			1,027,377,772.67			1,073,318,959.83		1,073,318,959.83
(ii) Contributions by and distributions to owners						45,941,187.16			1,027,377,772.67			1,073,318,959.83		1,073,318,959.83
1. Capital contributions from owners														
2. Capital contributions from other equity instruments holders														
3. Share-based payments recognized in shareholders' equity														
4. Others														
(iii) Profit distribution														
1. Appropriation to surplus reserve														
2. Appropriation to general risk reserve														
3. Distributions to shareholders														
4. Others														

Year 2023										
Items	Shareholders' equity attributable to the parent									
	Paid-in capital (Share capital)			Other equity instruments			Less:		Total shareholders' equity	
	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△ General risk reserve	Unappropriated profit
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	3,095,702,600.00			443,000.00		212,177,263.76		191,143.93		-419,567,812.64
									2,888,946,195.05	2,888,946,195.05

Items	Year 2022															
	Shareholders' equity attributable to the parent															
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve	Unappropriated profit	Others	Sub-total	Non- controlling interests	Total shareholders' equity
Preference shares	Perpetual debts	Others	Treasury shares													
I. Closing balance of prior year	3,095,702,600.00				443,000.00			28,252,642.53		191,143.93	-2,714,111,261.78			410,478,124.68		410,478,124.68
Add: changes in accounting policies																
Corrections of prior period errors																
Others																
II. Opening balance of current year	3,095,702,600.00				443,000.00			28,252,642.53		191,143.93	-2,714,111,261.78			410,478,124.68		410,478,124.68
III. Changes in current year (decrease expressed with "+")																
(i) Total comprehensive income								137,983,434.07			1,267,165,676.47			1,405,149,110.54		1,405,149,110.54
(ii) Contributions by and distributions to owners																
1. Capital contributions from owners																
2. Capital contributions from other equity instruments holders																
3. Share-based payments recognized in shareholders' equity																
4. Others																
(iii) Profit distribution																
1. Appropriation to surplus reserve																
2. Appropriation to general risk reserve																
3. Distributions to shareholders																
4. Others																

Items	Year 2022												
	Shareholders' equity attributable to the parent											Non-controlling interests	Total shareholders' equity
	Paid-in capital (Share capital)	Other equity instruments			Less:	Other	Special reserve	Surplus reserve	△ General risk reserve	Unappropriated profit	Others		
		Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	comprehensive income						
(iv) Internal transfer of shareholders' equity													
1. Capitalization of capital reserve													
2. Capitalization of surplus reserve													
3. Surplus Reserve Used to Offset Losses													
4. Transfer of changes in defined benefit plans to retained earnings													
5. Transfer of other comprehensive income to retained earnings													
6. Others													
(v) Special reserve													
1. Appropriation to special reserve													
2. Use of special reserve													
(vi) Others													
IV. Closing balance of current year	3,095,702,600.00				443,000.00		166,236,076.60		191,143.93	-1,446,945,585.31		1,815,627,235.22	1,815,627,235.22

MCC-JJJ MINING DEVELOPMENT COMPANY LIMITED
NOTES TO THE FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1. GENERAL INFORMATION

MCC-JJJ Mining Development Company Limited (hereinafter referred to as the “Target Company”) is a limited liability company registered and established in Beijing, the People’s Republic of China on August 6, 2007, upon approval of the State Administration for Industry and Commerce of the People’s Republic of China, with joint investment from Metallurgical Corporation of China Ltd., Jilin Jien Nickel Industry Co., Ltd., Jiuquan Iron and Steel (Group) Co., Ltd. and Jinchuan Group Co., Ltd. Its unified social credit code for business license is 911100007109349162, the registered capital of the company was RMB3,095.7 million, legal representative is Wang Zhou; registered address is Room 2101, Building 1, No. 28, Shuguang Xili, Chaoyang District, Beijing.

The Target Company operates in the non-ferrous metal mining and dressing industry. Its approved business scope includes: investment, operation and management of metal and non-metal mineral resource projects; technology development, technology services, technology exchange and technology transfer of new materials, new processes and new products for metal and non-metal mineral resources; import and export business.

The parent company of the Target Company is Metallurgical Corporation of China Ltd., and the ultimate controlling party is China Minmetals Corporation.

2. BASIS OF PREPARATION AND PRESENTATION

The Unaudited Consolidated Financial Information of the Target Company comprise the unaudited consolidated balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, the unaudited consolidated income statements, the unaudited consolidated statements of cash flows, and the unaudited consolidated statements of changes in equity for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025 and explanatory notes (the “Unaudited Consolidated Financial Information”).

The Unaudited Consolidated Financial Information is prepared by the Target Company on a going concern basis.

The Unaudited Consolidated Financial Information has been prepared in accordance with the same accounting policies as those adopted by the Target Company in preparation of the consolidated financial statements of the Company for those respective years. The consolidated financial statements of the Target Company have been prepared in accordance with the Basic Standard of the Accounting Standards for Business Enterprises issued by the Ministry of Finance.

The Unaudited Consolidated Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in “Accounting Standard for Business Enterprises No.30 – Presentation of financial statements” and “Accounting Standard for Business Enterprises No. 32 – Interim financial reporting”. The information should be read in connection with the annual report issued by the Target Company for the relevant period.

The Unaudited Financial Information has been prepared refer to paragraph 68(2) (a) (1) of Chapter 14 of the Listing Rules solely for the purpose of inclusion in the Circular to be issued by Metallurgical Corporation of China Ltd. in connection with the very substantial disposal of the equity interest of the Target Company.

3. ACCOUNTS RECEIVABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	4,456,136.82	138,518,968.43	141,787,436.20	66,657,523.34
Over 3 years			6,288,223.48	6,807,517.28
Total	<u>4,456,136.82</u>	<u>138,518,968.43</u>	<u>148,075,659.68</u>	<u>73,465,040.62</u>
Bad debt provision		1,353,715.53	7,672,048.07	7,412,895.12
Net Carrying Value of Accounts Receivable	<u>4,456,136.82</u>	<u>137,165,252.90</u>	<u>140,403,611.61</u>	<u>66,052,145.50</u>

4. ACCOUNTS PAYABLE

Item	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Within 1 year (inclusive)	196,704,558.78	201,114,049.04	156,067,481.71	164,212,234.53
1-2 years (inclusive)	14,543,593.99	4,422,197.99	452,587.58	737,968.67
2-3 years (inclusive)	1,184,673.78	404,110.98	737,968.67	17,395,304.78
Over 3 years	<u>155,335,755.78</u>	<u>155,479,747.07</u>	<u>159,471,483.69</u>	<u>155,582,676.72</u>
Total	<u>367,768,582.33</u>	<u>361,420,105.08</u>	<u>316,729,521.65</u>	<u>337,928,184.70</u>

5. OPERATING REVENUE

Item	Jan-Jul 2025	Year 2024	Year 2023	Year 2022
1. Main business subtotal	<u>1,607,908,318.57</u>	<u>2,965,225,491.92</u>	<u>3,875,116,815.13</u>	<u>4,745,552,141.83</u>
Incl : Metallic mineral resources	1,607,908,318.57	2,965,225,491.92	3,875,116,815.13	4,745,552,141.83
Total	<u><u>1,607,908,318.57</u></u>	<u><u>2,965,225,491.92</u></u>	<u><u>3,875,116,815.13</u></u>	<u><u>4,745,552,141.83</u></u>



大信會計師事務所
北京市海澱區知春路1號
學院國際大廈22層2206
郵編100083

WUYIGE Certified Public Accountants, LLP
Room 2206 22/F, Xueyuan International Tower
No.1 Zhichun Road, Haidian Dist.
Beijing, China, 100083

電話Telephone : +86 (10) 82330558
傳真Fax : +86 (10) 82327668
網址Internet : www.daxincpa.com.cn

REVIEW REPORT

DAXIN YUE ZI [2025] No.1-00021

To Metallurgical Corporation of China Ltd. (the “Company”) :

We have reviewed the accompanying financial statements of Ramu NiCo Management (MCC) Ltd. (hereinafter referred to as “the Target Company”), which comprise the balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and the income statements, cash flow statements, statements of changes in equity, and related notes for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025. The preparation of these financial statements is the responsibility of the Company’s management. Our responsibility is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with Chinese Institute of Certified Public Accountants Review Standards No. 2101 – Review of Financial Statements. This Standard requires that we plan and perform the review to obtain limited assurance as to whether the financial statements are free from material misstatements. A review consists primarily of making inquiries of Company personnel and applying analytical procedures to financial data, and provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements are not prepared, in all material respects, in accordance with Accounting Standards for Business Enterprises, or that they do not present fairly, in all material respects, the financial position of the Company as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, and its operating results and cash flows for the years then ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025.

The financial information has been prepared solely for the purpose of inclusion in the circular to be issued by the company in connection with the disposal of Target Company in accordance with the Hong Kong Main Board Listing Rule 14.68(2) (a) (i) (A).

WUYIGE Certified Public Accountants, LLP

Chinese Certified Public Accountant : Li Zhijun

China • Beijing Chinese

Certified Public Accountant : Liang Xuan

12 December 2025

BALANCE SHEET

Prepared by: Ramu NiCo Management (MCC) Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current assets:				
Cash and Cash Equivalents				
△Settlement reserves				
△Loans to banks and other financial institutions				
Financial assets at fair value through profit or loss				
Derivative financial assets				
Notes receivable				
Accounts receivable				
Receivables financing				
Prepayments				
△Premium receivable				
△Reinsurance accounts receivable				
△Reinsurance reserves receivable				
Centralised management funds receivable				
Other receivables	20,752.33	11,887.41	2,600.00	2,600.00
Including: Interest receivable				
Dividends receivable				
△Financial assets purchased under reverse repurchase				
agreements				
Inventories				
Including: Data Resources				
Contract assets				
Assets held for sale				
Non-current assets due within one year				
Other current assets				
Total current assets	20,752.33	11,887.41	2,600.00	2,600.00

Items	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current assets:				
△Loans and advances				
Debt investments				
Other debt investments				
Long-term receivables				
Long-term equity investments				
Other equity instrument investments				
Other non-current financial assets				
Investment properties				
Fixed assets	5,012,223.42	5,357,409.13	5,953,050.93	6,590,343.57
Construction in progress				
Bearer biological assets				
Oil and gas assets				
Right-of-use assets				
Intangible assets				
Including: Data Resourcess				
Development expenditures				
Including: Data Resourcess				
Goodwill				
Long-term prepaid expenses				
Deferred tax assets				
Other non-current assets				
Total non-current assets	<u>5,012,223.42</u>	<u>5,357,409.13</u>	<u>5,953,050.93</u>	<u>6,590,343.57</u>
Total assets	<u>5,032,975.75</u>	<u>5,369,296.54</u>	<u>5,955,650.93</u>	<u>6,592,943.57</u>

BALANCE SHEET (CONTINUED)

Prepared by: Ramu NiCo Management (MCC) Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Current liabilities:				
Short-term borrowings				
△ Borrowings from central bank				
△ Loans from banks and other financial institutions				
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities				
Notes payable				
Accounts payable				
Receipts in advance				
Contract liabilities				
△ Financial assets sold under repurchase agreements				
△ Deposits from customers and interbank deposits				
△ Funds from securities trading brokerage business				
△ Funds from securities underwriting business				
Employee benefits payable				
Tax and surcharge payable				
Other payables	5,030,375.75	5,366,696.54	5,953,050.93	6,590,343.57
Including: Interest payable				
Dividends payable				
△ Fees and commissions payable				
△ Reinsurance accounts payable				
Liabilities held for sale				
Non-current liabilities due within one year				
Other current liabilities				
Total current liabilities	<u>5,030,375.75</u>	<u>5,366,696.54</u>	<u>5,953,050.93</u>	<u>6,590,343.57</u>

Items	31-Jul-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022
Non-current liabilities:				
△Insurance contract reserves				
Long-term borrowings				
Bonds payable				
Including: Preference shares				
Perpetual debts				
Lease liabilities				
Long-term payables				
Long-term employee benefits payable				
Provisions				
Deferred income				
Deferred tax liabilities				
Other non-current liabilities				
Total non-current liabilities				
Total liabilities	5,030,375.75	5,366,696.54	5,953,050.93	6,590,343.57
Owners' equity (or Shareholders' equity):				
Paid-in capital (or share capital)	2,600.00	2,600.00	2,600.00	2,600.00
Other equity instruments				
Including: Preference shares				
Perpetual debts				
Capital reserve				
Less: Treasury shares				
Other comprehensive income				
Special reserve				
Surplus reserve				
△General risk reserve				
Unappropriated profit				
Total owners' equity (or shareholders' equity)	2,600.00	2,600.00	2,600.00	2,600.00
Total liabilities and owners' equity (or shareholders' equity)	5,032,975.75	5,369,296.54	5,955,650.93	6,592,943.57

INCOME STATEMENT

Prepared by: Ramu NiCo Management (MCC) Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul2025	Year2024	Year2023	Year2022
1. Total operating revenue				
Including: Operating revenue				
△Interest income				
△Earned premium				
△Fee and commission income				
2. Total operating costs				
Including: Operating costs				
△Interest expenses				
△Fee and commission expenses				
△Surrender value				
△Net claims paid				
△Net appropriation for insurance contracts reserves				
△Dividend expenses for policyholders				
△Reinsurance expenditures				
Taxes and surcharges				
Selling expenses				
Administrative expenses				
Research and development expenses				
Financial expenses				
Including: Interest expenses				
Interest income				
Add: Other income				
Investment income (losses expressed with “-”)				
Including: Investment income from associates and joint ventures				
Gains from derecognition of financial assets measured at amortized costs				
△Foreign exchange gains (losses expressed with “-”)				
Gains on hedge of a net position (losses expressed with “-”)				
Gains from changes in fair value (losses expressed with “-”)				
Credit impairment losses (losses expressed with “-”)				
Assets impairment losses (losses expressed with “-”)				
Gains on disposal of assets (losses expressed with “-”)				

Items	Jan-Jul2025	Year2024	Year2023	Year2022
3. Operating profit (loss expressed with “-.”)				
Add: Non-operating income				
Less: Non-operating expenses				
4. Total profit (loss expressed with “-.”)				
Less: Income tax expenses				
5. Net profit (net loss expressed with “-.”)				
A. Net profit from continuing operations (losses expressed with “-.”)				
B. Net profit from discontinued operations (losses expressed with “-.”)				
6. Other comprehensive income, net of income tax				
A. Items that will not be reclassified subsequently to profit or loss				
1. Remeasurement Changes of Defined Benefit Plans				
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method				
3. Fair value changes of investments in other equity instruments				
4. Fair value changes of the entity’s own credit risk				
B. Items that may be reclassified subsequently to profit or loss				
1. Other comprehensive income that can be reclassified to profit or loss under equity method				
2. Fair Value Changes of Other Debt Investments				
3. Other comprehensive income from reclassification of financial assets				
4. Debt instrument measured at fair value through other comprehensive income – Credit loss allowance				
5. Cash flow hedge reserve (Effective portion of gains or losses on cash flow hedge)				
6. Translation differences of financial statements presented in foreign currencies				
7. Others				
7. Total comprehensive income				
8. Earnings per share				
Basic earnings per share (yuan per share)				
Diluted earnings per share (yuan per share)				

STATEMENT OF CASH FLOWS

Prepared by: Ramu NiCo Management (MCC) Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul 2025	Year 2024	Year 2023	Year 2022
1. Cash flows from operating activities:				
Cash received from sales of goods or rendering of services				
△Net increase in customer deposits and due to banks and other financial institutions				
△Net increase in borrowings from the Central Bank				
△Net increase in borrowings from other financial institutions				
△Cash received for insurance contract premium				
△Net cash received from reinsurance contracts				
△Net increase in deposits and investments from policyholders				
△Cash received for interest, fee and commission				
△Net increase in borrowings from banks				
△Net cash increase under repurchase agreements				
△Net increase received from securities trading brokerage business				
Refunds of taxes and surcharges				
Cash received relating to other operating activities				
Sub-total of cash inflows from operating activities				
Cash paid for goods and services				
△Net increase in loans and advances to customers				
△Net increase in deposit in the Central Bank and due from banks and other financial institutions				
△Cash paid for claims in insurance contracts				
△Net increase in funds lent under repurchase agreements				
△Cash paid for interest, fee and commission				
△Cash paid for dividends for policyholders				
Cash paid to and on behalf of employees				
Cash paid for taxes and surcharges				
Cash paid relating to other operating activities				
Sub-total of cash outflows from operating activities				
Net cash flows from operating activities				

Items	Jan-Jul 2025	Year 2024	Year 2023	Year 2022
2. Cash flows from investing activities:				
Cash received from disposal of investments				
Cash received from investment income				
Net cash received from disposal of fixed assets, intangible assets and other long-term assets				
Net cash received from disposal of subsidiaries and other business units				
Cash received relating to other investing activities				
Sub-total of cash inflows from investing activities				
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets				
Cash paid for acquisition of investments				
△Net increase in mortgage loans				
Cash paid for obtaining subsidiaries and other business units				
Cash paid relating to other investing activities				
Sub-total of cash outflows from investing activities				
Net cash flows from investing activities				
3. Cash flows from financing activities:				
Cash received from capital contributions				
Including: Cash received from non-controlling shareholders' capital contributions to subsidiaries				
Cash received from borrowings				
Cash received relating to other financing activities				
Sub-total of cash inflows from financing activities				
Cash repayments of borrowings				
Cash payments for distribution of dividends, profits, or for interest expenses				
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling shareholders				
Cash paid relating to other financing activities				
Sub-total of cash outflows from financing activities				
Net cash flows from financing activities				
4. Effect of foreign exchange rate changes on cash and cash equivalents				
5. Net increase/(decrease) in cash and cash equivalents				
Add: Opening balance of cash and cash equivalents				
6. Closing balance of cash and cash equivalents				

STATEMENT OF CHANGES IN EQUITY

Prepared by: Ramu NiCo Management (MCC) Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	Jan-Jul 2025									
	Other equity instruments					Less:		Other		Total
	Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	comprehensive income	Special reserve	Surplus reserve	
I. Closing balance of prior year	2,600.00									2,600.00
Add: changes in accounting policies										
Corrections of prior period errors										
Others										
II. Opening balance of current year	2,600.00									2,600.00
III. Changes in current year (decrease expressed with “-”)										
(i) Total comprehensive income										
(ii) Contributions by and distributions to owners										
1. Capital contributions from owners										
2. Capital contributions from other equity instruments holders										
3. Share-based payments recognized in shareholders' equity										
4. Others										
(iii) Profit distribution										
1. Appropriation to surplus reserve										
2. Appropriation to general risk reserve										
3. Distributions to shareholders										
4. Others										

Items	Jan-Jul 2025									
	Other equity instruments					Less:				
	Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve
									Unappropriated profit	Total shareholders' equity
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	2,600.00									2,600.00

Items	Year 2024									
	Other equity instruments					Less:				
	Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Total shareholders' equity
I. Closing balance of prior year	2,600.00									2,600.00
Add: changes in accounting policies										
Corrections of prior period errors										
Others										
II. Opening balance of current year	2,600.00									2,600.00
III. Changes in current year (decrease expressed with “-”)										
(i) Total comprehensive income										
(ii) Contributions by and distributions to owners										
1. Capital contributions from owners										
2. Capital contributions from other equity instruments holders										
3. Share-based payments recognized in shareholders' equity										
4. Others										
(iii) Profit distribution										
1. Appropriation to surplus reserve										
2. Appropriation to general risk reserve										
3. Distributions to shareholders										
4. Others										

Items	Year 2024									
	Other equity instruments					Less:				
	Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Total shareholders' equity
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	2,600.00									2,600.00

Items	Year 2023							
	Other equity instruments				Less:			
	Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Total shareholders' equity
I. Closing balance of prior year	2,600.00							2,600.00
Add: changes in accounting policies								
Corrections of prior period errors								
Others								
II. Opening balance of current year	2,600.00							2,600.00
III. Changes in current year (decrease expressed with “-”)								
(i) Total comprehensive income								
(ii) Contributions by and distributions to owners								
1. Capital contributions from owners								
2. Capital contributions from other equity instruments holders								
3. Share-based payments recognized in shareholders' equity								
4. Others								
(iii) Profit distribution								
1. Appropriation to surplus reserve								
2. Appropriation to general risk reserve								
3. Distributions to shareholders								
4. Others								

Items	Year 2023								Total shareholders' equity	
	Paid-in capital (Share capital)	Other equity instruments			Capital reserve	Less:		Special reserve		
		Preference shares	Perpetual debts	Others		Treasury shares	Other comprehensive income			
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	2,600.00									2,600.00

Items	Year 2022						
	Other equity instruments				Less:		
	Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income
					Capital reserve	Special reserve	Surplus reserve
						△ General risk reserve	Unappropriated profit
							Total shareholders' equity
I. Closing balance of prior year	2,600.00						2,600.00
Add: changes in accounting policies							
Corrections of prior period errors							
Others							
II. Opening balance of current year	2,600.00						2,600.00
III. Changes in current year (decrease expressed with “-”)							
(i) Total comprehensive income							
(ii) Contributions by and distributions to owners							
1. Capital contributions from owners							
2. Capital contributions from other equity instruments holders							
3. Share-based payments recognized in shareholders' equity							
4. Others							
(iii) Profit distribution							
1. Appropriation to surplus reserve							
2. Appropriation to general risk reserve							
3. Distributions to shareholders							
4. Others							

Items	Year 2022									
	Other equity instruments					Less:				
	Paid-in capital (Share capital)	Preference shares	Perpetual debts	Others	Capital reserve	Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	△General risk reserve
									Unappropriated profit	Total shareholders' equity
(iv) Internal transfer of shareholders' equity										
1. Capitalization of capital reserve										
2. Capitalization of surplus reserve										
3. Surplus Reserve Used to Offset Losses										
4. Transfer of changes in defined benefit plans to retained earnings										
5. Transfer of other comprehensive income to retained earnings										
6. Others										
(v) Special reserve										
1. Appropriation to special reserve										
2. Use of special reserve										
(vi) Others										
IV. Closing balance of current year	2,600.00									2,600.00

RAMU NICO MANAGEMENT (MCC) LTD
NOTES TO THE FINANCIAL INFORMATION

(Expressed in Renminbi unless otherwise indicated)

1. GENERAL INFORMATION

Ramu NiCo Management (MCC) Ltd. (hereinafter referred to as the “Target Company”) is a company established in Papua New Guinea on August 17, 2005, and has obtained a company establishment certificate (Certificate No.: 1-54529) issued by the Papua New Guinea Companies Registry. The address of the Target Company is: Posman Kua Aisi Lawyers, Level 1, Mogoru Moto Building, Port Moresby, National Capital District, Papua New Guinea; its registered capital is 1,000.00 Kina (equivalent to RMB2,600.00). The shareholder of the Target Company is Metallurgical Corporation of China Ltd., with a capital contribution ratio of 100%.

During the Reporting Period, the Target Company had no actual business operations.

The parent company of the Target Company is Metallurgical Corporation of China Ltd., and the ultimate controlling party is China Minmetals Corporation.

2. BASIS OF PREPARATION AND PRESENTATION

The Unaudited Financial Information of the Target Company comprise the unaudited balance sheets as at 31 December 2022, 31 December 2023, 31 December 2024, and 31 July 2025, the unaudited income statements, the unaudited statements of cash flows, and the unaudited statements of changes in equity for the years ended 31 December 2022, 2023, 2024, and the seven-month period ended 31 July 2025 and explanatory notes (the “**Unaudited Financial Information**”).

The Unaudited Financial Information is prepared by the Target Company on a going concern basis.

The Unaudited Financial Information has been prepared in accordance with the same accounting policies as those adopted by the Target Company in preparation of the financial statements of the Company for those respective years. The financial statements of the Target Company have been prepared in accordance with the Basic Standard of the Accounting Standards for Business Enterprises issued by the Ministry of Finance.

The Unaudited Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in “Accounting Standard for Business Enterprises No.30 – Presentation of financial statements” and “Accounting Standard for Business Enterprises No. 32 – Interim financial reporting”. The information should be read in connection with the annual report issued by the Target Company for the relevant period.

The Unaudited Financial Information has been prepared refer to paragraph 68(2) (a) (1) of Chapter 14 of the Listing Rules solely for the purpose of inclusion in the Circular to be issued by Metallurgical Corporation of China Ltd. in connection with the very substantial disposal of the equity interest of the Target Company.



大信會計師事務所
北京市海澱區知春路1號
學院國際大廈22層2206
郵編100083

WUYIGE Certified Public Accountants, LLP
Room 2206 22/F, Xueyuan International Tower
No.1 Zhichun Road, Haidian Dist.
Beijing, China, 100083

電話Telephone : +86 (10) 82330558
傳真Fax : +86 (10) 82327668
網址Internet : www.daxincpa.com.cn

VERIFICATION REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

DAXIN ZHUANSHEN ZI [2025] No. 1-05293

To the Board of Directors Metallurgical Corporation of China Ltd.:

We have completed our assurance engagement on the unaudited pro forma consolidated financial information of the Remaining group of Metallurgical Corporation of China Ltd. (hereinafter referred to as “MCC”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”), compiled by the Board of Directors of MCC.

I. Reporting accountants’ responsibilities

The Directors are responsible for the preparation of the unaudited pro forma consolidated balance sheet as at 30 June 2025, the unaudited pro forma consolidated income statement, the unaudited pro forma consolidated statement of cash flows for the year 2024 and the related notes (hereinafter referred to as the “Unaudited Pro Forma Financial Information”), in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the basis of preparation as set out in Note 1 to the unaudited pro forma consolidated financial information of the Remaining Group (the “**Basis of Preparation**”), and with reference to Hong Kong Institute of Certified Public Accountants’ Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Investment Circulars” (the “**AG 7**”). The Unaudited Pro Forma Financial Information is set out in Appendix III to the circular dated 12 December 2025 issued by MCC in connection with the disposal of the equity interests and the assignment of loans to the target company (the “**Circular**”).

II. Reporting accountants' responsibilities

We comply with the ethical requirements, including independence requirements, as set out in the Code of Ethics for Professional Accountants issued by the Chinese Institute of Certified Public Accountants. These requirements are founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

We maintain a comprehensive system of quality management in accordance with the "Quality Control Standard No. 5101 for Accounting Firms – Engagement Quality Management" issued by the Ministry of Finance of the People's Republic of China.

We have conducted our work in accordance with the "Chinese Certified Public Accountants' Assurance Standards No. 3101 – Assurance Engagements Other than Audits or Reviews of Historical Financial Information". This Standard requires that a Certified Public Accountant shall plan and perform the assurance engagement to obtain sufficient appropriate evidence to support the assurance conclusion.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in the circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- (a) Whether the related pro forma adjustments give appropriate effect to those criteria; and
- (b) Whether the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis of the criteria by the Board of Directors;
- (b) such basis is consistent with the publicly disclosed accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

IV. Other Matters

This report is restricted to the transaction involving MCC's disposal of the equity and transfer of the creditor's rights in the Target Company. It is not intended for any other purpose.

WUYIGE Certified Public Accountants. LLP

Chinese Certified Public Accountant : Li Zhijun

China • Beijing Chinese

Certified Public Accountant : Liang Xuan

12 December 2025

Date: 12 December, 2025

UNAUDITED PROFORMA CONSOLIDATED BALANCE SHEET

Prepared by: Metallurgical Corporation of China Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	The unaudited consolidated balance sheet statement of the Group as at 30 June 2025 (Note 1)	Pro forma adjustments						Unaudited Pro Forma Consolidated Balance Sheet of the Remaining Group as at 30 June 2025
		Target company1 (Note 2(i))	Target company2 (Note 2(ii))	Target company3 (Note 2(iii))	Target company4 (Note 2(iv))	Target company5 (Note 2(v))	Target company6 (Note 2(vi))	
Current assets:								
Cash and Cash Equivalents	53,057,488,922.22	-1,130,754,927.46	-547,597,699.70	-245,325,755.39	-817,999,331.66	-72,358,572.08		50,243,452,635.93
△Settlement reserves								
△Loans to banks and other financial institutions								
Financial assets at fair value through profit or loss	2,621,817.88							2,621,817.88
Derivative financial assets								
Notes receivable	5,365,099,079.15		-7,352,531.06		-119,179,620.52			5,238,666,927.57
Accounts receivable	224,490,463,517.14	-1,450,967,910.66	-2,066,579,684.15		-89,645,012.37	-37,219,152.50	3,376,241,964.11	224,222,293,721.57
Receivables financing	9,867,923,826.83		-77,288,394.03					9,790,635,432.80
Prepayments	21,085,446,874.13	-1,071,896,364.64	-542,571,315.84	-10,007,228.07	-202,102,623.99	-145,776,685.01	393,545,739.76	19,306,638,396.34
△Premium receivable								
△Reinsurance accounts receivable								
△Reinsurance reserves receivable								
Centralised management funds receivable		-354,376,837.43	-427,592,839.18		-152,887,547.68	-27,403,105.46	962,260,329.75	97,471,669,391.22
Other receivables	39,001,577,972.01	-6,844,354,005.96	-1,791,535,785.35	-61,688,330.87	-496,381,281.86	-463,006,203.61	54,014,548,080.39	224,896,057.57
Including: Interest receivable			-1,308,673.79				226,204,731.36	
Dividends receivable	99,148,000.92	-20,210,019.69	-26,980,351.76					51,957,629.47
△Financial assets purchased under reverse repurchase agreements								
Inventories	72,117,953,803.06	-54,242,052,741.10	-86,093,879.39	-96,298,794.65	-374,477,531.90	-723,399,622.35	960,172,952.04	17,555,804,185.71
Including: Data Resources								
Contract assets	194,169,273,792.17	-121,226,717.77	-586,967,646.22				-200,494,608.75	193,260,584,819.43
Assets held for sale							9,000.00	
Non-current assets due within one year	12,418,215,218.42							12,418,224,218.42
Other current assets	11,622,562,506.40	-2,000,808,526.04	-265,816,237.43		-3,258,393.94			9,352,679,348.99
Total current assets	643,198,627,329.41	-67,216,438,031.06	-6,399,296,012.35	-413,320,108.98	-2,455,931,343.92	-1,669,163,341.01	59,506,283,407.30	639,063,270,895.86

Items	The unaudited consolidated balance sheet as at 30 June 2025 (Note 1)	Pro forma adjustments						Unaudited Pro Forma Consolidated Balance Sheet of the Remaining Group as at 30 June 2025
		Target company1 (Note 2(i))	Target company2 (Note 2(iii))	Target company3 (Note 2(iii))	Target company4 (Note 2(iv))	Target company5 (Note 2(v))	Target company6 (Note 2(vi))	
Non-current assets :								
△ Loans and advances								
Debt investments								
Other debt investments								
Long-term receivables	56,847,395,509.52	-5,252,178,655.46					-470,059,985.50	51,453,127,176.56
Long-term equity investments	41,026,150,756.47	-801,247,214.30	-1,013,485,410.00			-17,990,152.51		39,195,427,979.66
Other equity instrument investments	1,728,851,960.02		-76,828,242.95					1,652,023,717.07
Other non-current financial assets	4,720,625,942.68							4,720,625,942.68
Investment properties	8,462,840,838.67	-2,809,798,711.32	-220,449,439.14					5,432,592,688.21
Fixed assets	26,743,460,860.70	-3,070,615,257.86	-1,660,689,958.02	-295,467,300.25	-579,855,691.04	-4,619,509,150.88	-5,063,891.35	16,599,479,401.89
Construction in progress	5,915,024,732.15	-1,269,896,136.44	-414,797,276.51	-64,836,333.73	-1,761,900,893.04	-124,129,801.79		2,406,065,438.70
Bearer biological assets								
Oil and gas assets								
Right-of-use assets	630,128,320.23	-51,482,009.08	-12,998,621.33		-25,332,958.25		2,038,380.48	542,353,112.05
Intangible assets	34,041,752,194.27	-28,442,254.21	-2,687,170,756.92		-1,695,422,253.57	-61,864,163.84		29,568,831,480.71
Including: Data Resources								
Development expenditures								
Including: Data Resources								
Goodwill	53,922,618.99							53,922,618.99
Long-term prepaid expenses	344,652,878.61	-2,098,100.43	-4,212,016.81			-1,298,279.40		337,044,481.97
Deferred tax assets	9,194,723,634.69	-252,626,717.10	-79,252,203.19				-192,200,156.96	8,670,644,557.44
Other non-current assets	24,497,878,392.96		-102,676,846.95				122,178,742.43	24,517,380,288.44
Total non-current assets	214,207,408,639.96	-13,538,385,056.20	-6,272,560,771.82	-360,324,919.00	-4,080,501,948.41	-5,276,861,381.41	-5,063,891.35	185,147,518,884.37
Total assets	857,406,035,969.37	-80,754,823,087.26	-12,671,856,784.17	-773,645,027.98	-6,536,433,292.33	-6,946,024,722.42	-5,084,667.03	824,210,789,780.23

APPENDIX III

UNAUDITED PRO FORMA INFORMATION OF THE REMAINING GROUP

Items	The unaudited consolidated balance sheet statement of the Group as at 30 June 2025 (Note 1)	Pro forma adjustments						Unaudited Pro Forma Consolidated Balance Sheet of the Remaining Group as at 30 June 2025
		Target company1 (Note 2(i))	Target company2 (Note 2(ii))	Target company3 (Note 2(iii))	Target company4 (Note 2(iv))	Target company5 (Note 2(v))	Target company6 (Note 2(vi))	Note 5(iii)
Current liabilities:								
Short-term borrowings	59,345,497,459.95	-15,253,123.27	-434,250,000.00					58,895,994,336.68
△ Borrowings from central bank								
△ Loans from banks and other financial institutions								
Financial liabilities at fair value through profit or loss								
Derivative financial liabilities	713,359,445.61							713,359,445.61
Notes payable	28,781,078,564.71	-95,685,014.20	-46,124,275.64					28,639,269,274.87
Accounts payable	357,445,587,734.90	-4,972,009,606.53	-2,657,992,257.81	-88,838,495.31	-526,132,006.31	-389,854,900.88	4,374,666,189.08	353,185,426,657.14
Receipts in advance	131,092,102.68	-5,731,949.58	-7,644,905.37					117,715,247.73
Contract liabilities	57,522,428,586.05	-4,450,854,840.21	-1,679,244,885.50	-40,483,700.00	-28,163,772.83	-4,107,020.12	385,530,042.47	51,705,104,409.86
△ Financial assets sold under repurchase agreements								
△ Deposits from customers and interbank deposits								
△ Funds from securities trading brokerage business								
△ Funds from securities underwriting business								
Employee benefits payable	2,839,169,273.09	-6,444,510.50	-138,949,965.10	-23,464,414.98	-261,530,645.31			2,408,779,737.20
Tax and surcharge payable	3,883,361,431.77	-1,065,474,429.13	-39,042,927.23	-177,472,187.72	-67,087,174.46	-405,655,889.88		2,560,388,823.35
Other payables	55,780,783,524.32	-48,442,160,739.35	-578,433,511.84	-41,371,546.15	-525,166,050.06	-2,271,923,328.54	-5,082,067.03	58,142,668,164.45
Including: Interest payable	28,492,091.32	-12,275,240.98						29,800,765.11
Dividends payable	2,871,015,780.64	-1,782,864,219.99	-33,356,681.56					2,857,701,495.02
△ Fees and commissions payable								
△ Reinsurance accounts payable								
Liabilities held for sale								
Non-current liabilities due within one year	17,118,135,889.88	-3,630,471,043.53	-212,099,179.04		-3,122,011.15	-12,504,687.50	2,071,960.89	13,262,010,929.55
Other current liabilities	34,151,987,567.25	-709,839,840.94	-43,344,167.99					33,398,803,558.32
Total current liabilities	617,712,481,580.21	-63,393,925,097.24	-5,837,126,075.52	-371,630,344.16	-1,411,201,660.12	-3,084,045,826.92	-5,082,067.03	603,029,520,584.76

APPENDIX III

UNAUDITED PRO FORMA INFORMATION OF THE REMAINING GROUP

Items	The unaudited consolidated balance sheet of the Group as at 30 June 2025 (Note 1)	Pro forma adjustments						Unaudited Pro Forma Consolidated Balance Sheet of the Remaining Group as at 30 June 2025		
		Target company1 (Note2(i))	Target company2 (Note2(ii))	Target company3 (Note2(iii))	Target company4 (Note2(iv))	Target company5 (Note2(v))	Target company6 (Note2(vi))		Note5(i)	Note5(ii)
Non-current liabilities:										
△ Insurance contract reserves										
Long-term borrowings	45,879,836,106.83	-6,386,186,009.86	-1,622,527,184.49					25,000,000.00		37,896,122,912.48
Bonds payable	5,345,000,000.00	-3,345,000,000.00								2,000,000,000.00
Including: Preference shares										
Perpetual debts										
Lease liabilities	478,767,879.69	-45,241,355.03	-2,914,821.48		-19,465,222.15					411,146,481.03
Long-term payables	1,275,169,304.65		-58,472,062.62	-154,900,300.00	-56,856,020.45			211,756,320.45		1,216,697,242.03
Long-term employee benefits payable	3,354,890,095.20		-212,634,000.00		-7,455,000.00					3,134,801,095.20
Provisions	893,656,832.58		-27,689,500.00	-2,144,278.21		-261,306,597.56				602,516,456.81
Deferred income	962,858,942.95	-59,444,695.45	-89,233,353.31			-150,000.00				814,030,894.19
Deferred tax liabilities	140,386,613.37	-21,655,622.64								118,730,990.73
Other non-current liabilities	763,538,220.00									763,538,220.00
Total non-current liabilities	59,094,103,995.27	-9,857,527,682.98	-2,013,470,921.90	-157,044,578.21	-83,776,242.60	-261,456,597.56	236,756,320.45			46,957,584,292.47
Total liabilities	676,806,585,575.48	-73,251,452,780.22	-7,850,596,997.42	-528,674,922.37	-1,494,977,902.72	-3,345,502,424.48	-5,082,067.03	59,193,046,395.99	463,760,000.00	649,987,104,877.23
Owners' equity (or Shareholders' equity):										
Paid-in capital (or share capital)	20,723,619,170.00	-10,000,000,000.00	-2,346,730,000.00	-431,595.81	-3,488,131,147.07	-3,095,702,600.00	-2,600.00	18,930,997,942.88		20,723,619,170.00
Other equity instruments	47,600,000,000.00									47,600,000,000.00
Including: Preference shares										
Perpetual debts										
Capital reserve	47,600,000,000.00		72,924,968.74			-443,000.00				47,600,000,000.00
Less: Treasury shares	23,446,360,655.03							-72,481,968.74		23,446,360,655.03
Other comprehensive income	756,673,588.32	26,272,907.49	102,710,350.96	-23,764,880.14	-213,789,458.44	-250,994,452.78		82,776,464.56		459,884,519.97
Special reserve	1,514,996,800.92		-6,171,035.58					6,171,035.58		1,514,996,800.92
Surplus reserve	3,782,468,315.34	-390,686,194.14	-326,459,500.40		-230,666,411.23	-191,143.93		948,003,249.70		3,782,468,315.34
△ General risk reserve										
Unappropriated profit	53,324,571,290.25	4,323,619,718.24	-1,773,751,803.01	-220,773,629.66	-826,310,490.15	-253,191,101.23	787,045,223.91	-4,659,244,697.96		50,701,964,510.39
Total owners' equity (or shareholders' equity) attributable to the parent	151,128,689,819.86	-6,040,793,568.41	-4,277,477,019.29	-244,970,105.61	-4,758,897,506.89	-3,600,522,297.94	-2,600.00	787,045,223.91	15,236,222,026.02	148,229,293,971.65
* Non-controlling interests	29,470,760,574.03	-1,462,576,738.63	-543,782,767.46		-282,557,882.72				-1,187,452,253.87	25,994,390,931.35
Total owners' equity (or shareholders' equity)	180,599,450,393.89	-7,503,370,307.04	-4,821,259,786.75	-244,970,105.61	-5,041,455,389.61	-3,600,522,297.94	-2,600.00	787,045,223.91	14,048,769,772.15	174,223,684,903.00
Total liabilities and owners' equity (or shareholders' equity)	857,406,035,969.37	-80,754,823,087.26	-12,671,856,784.17	-773,645,027.98	-6,536,433,292.33	-6,946,024,722.42	-5,084,667.03	59,980,091,619.90	14,512,529,772.15	824,210,789,780.23

UNAUDITED PRO FORMA CONSOLIDATED INCOME STATEMENT

Prepared by: Metallurgical Corporation of China Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	The audited consolidated income statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Income Statement of the Remaining Group for the year ended 31 December 2024 Note 6(iii)
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))	
1. Total operating revenue								
Including: Operating revenue	552,024,638,125.28	-7,343,697,980.16	-8,717,611,782.24	-758,945,790.58	-2,466,862,548.21	-2,965,225,491.92	6,445,324,179.36	536,217,618,711.53
△ Interest income	552,024,638,125.28	-7,343,697,980.16	-8,717,611,782.24	-758,945,790.58	-2,466,862,548.21	-2,965,225,491.92	6,445,324,179.36	536,217,618,711.53
△ Earned premium								
△ Fee and commission income								
2. Total operating costs								
Including: Operating costs	533,078,519,648.04	-9,630,010,778.31	-8,449,323,495.28	-509,847,053.40	-2,160,700,380.16	-2,502,706,291.69	6,171,491,438.89	516,029,423,088.09
△ Interest expenses	498,543,591,833.62	-7,546,653,393.88	-7,612,318,081.12	-376,732,274.81	-1,815,785,508.96	-2,204,230,487.76	6,524,646,203.17	485,512,498,290.26
△ Fee and commission expenses								
△ Surrender value								
△ Net claims paid								
△ Net appropriation for insurance contracts reserves								
△ Dividend expenses for policyholders								
△ Reinsurance expenditures								
Taxes and surcharges	2,156,086,726.01	-382,339,375.71	-68,760,471.84	-49,331,477.36	-140,122,021.70	-68,823,025.19		1,447,210,354.21
Selling expenses	3,063,315,437.58	-439,839,511.21	-89,348,439.62	-9,106,098.75	-20,048,547.69	-33,398,273.92		2,471,674,566.39
Administrative expenses	11,830,595,291.14	-363,996,742.10	-277,408,977.42	-65,929,664.11	-219,544,091.68	-119,676,816.35	32,061,061.74	10,848,100,061.22
Research and development expenses	16,406,224,950.05		-360,855,456.26	-11,536,400.38		-4,920,173.64		16,028,912,919.77
Financial expenses	1,078,705,409.64	-897,181,755.41	-41,232,069.02	2,808,862.01	34,799,789.87	-71,657,514.83	-385,215,826.02	-278,973,103.76
Including: Interest expenses	3,392,680,170.62	-1,175,294,623.53	-45,659,222.94		-1,110,692.36	-117,325,523.60	1,515,725,957.04	3,569,016,065.23
Interest income	2,715,515,113.52	-269,995,013.77	-14,087,292.62	-518,763.64	-30,898,566.31	-39,066,821.31	1,900,941,783.06	4,261,890,438.93

APPENDIX III

UNAUDITED PRO FORMA INFORMATION OF THE REMAINING GROUP

Items	The audited consolidated income statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Income Statement of the Remaining Group for the year ended 31 December 2024
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))	Note 4(vii)
Add: Other income	550,227,815.35	-12,484,257.15	-100,739,553.70		-248,065.87	-24,649.48		436,731,289.15
Investment income (losses expressed with "-")	-1,354,525,391.47	-3,502,232.81	-86,608,354.18		-7,099,788.65		2,094,751,426.88	-2,588,165,235.42
Including: Investment income from associates and joint ventures	137,334,279.34	-3,502,232.81	-86,608,354.18		-7,099,788.65			40,123,903.70
Gains from derecognition of financial assets measured at amortized costs	-1,089,125,327.30							-1,089,125,327.30
△ Foreign exchange gains (losses expressed with "-")								
Gains on hedge of a net position (losses expressed with "-")	-377,207,115.98							-377,207,115.98
Gains from changes in fair value (losses expressed with "-")								
Credit impairment losses (losses expressed with "-")	-7,193,525,035.59	98,343,272.94	90,950,080.72	-284,339.20		292,198.72		-7,004,223,822.41
Assets impairment losses (losses expressed with "-")	-2,540,854,024.10	2,673,654,097.73	91,321,543.88				-1,483,505,322.47	-1,259,383,704.96
Gains on disposal of assets (losses expressed with "-")	1,052,666,356.59	63,024.53	-139,636,199.34			143.45		913,093,325.23
3. Operating profit (loss expressed with "-")	9,082,901,082.04	5,042,386,703.39	-413,000,769.58	-249,383,076.38	-313,510,022.57	-462,251,507.54	885,078,844.88	10,952,056,018.82
Add: Non-operating income	453,583,804.93	-23,444,995.70	-32,348,525.74		-2,086,666.89	-2,449,550.00		393,254,066.60
Less: Non-operating expenses	281,948,405.36	22,334,489.62	-23,401,650.66		-1,731,920.72	-4,869,527.47		274,279,796.13
4. Total profit (loss expressed with "-")	9,254,536,481.61	4,996,607,218.07	-421,947,644.66	-249,383,076.38	-313,864,768.74	-459,831,530.07	885,078,844.88	11,071,030,289.29
Less: Income tax expenses	1,350,205,940.12	140,853,482.45	-82,379,062.91	-98,621,492.32	-38,717,535.92	-13,990,558.80	90,020,564.18	1,778,931,336.80

APPENDIX III UNAUDITED PRO FORMA INFORMATION OF THE REMAINING GROUP

Items	The audited consolidated income statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Income Statement of the Remaining Group for the year ended 31 December 2024
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))	
5. Net profit (net loss expressed with "-") Including: Net Profit Of the Acquiree Earned before Combination	7,904,330,541.49	4,855,755,735.62	-339,368,581.75	-150,761,584.06	-275,147,232.82	-445,840,971.27	795,058,280.70	9,292,098,952.49
A. Classified by continuing and discontinued operations								
1. Net profit from continuing operations (losses expressed with "-")	7,904,330,541.49	4,855,755,735.62	-339,368,581.75	-150,761,584.06	-275,147,232.82	-445,840,971.27	795,058,280.70	9,292,098,952.49
2. Net profit from discontinued operations (losses expressed with "-")								
B. Attributable to								
1. Shareholders of the parent	6,745,953,752.85	4,528,699,723.02	-340,360,025.66	-150,761,584.06	-275,147,232.82	-445,840,971.27	942,396,350.69	7,953,114,777.33
* 2. Non-controlling interests	1,158,376,788.64	327,054,012.60	891,443.91				-147,338,069.99	1,338,984,175.16
6. Other comprehensive income, net of income tax Attributable to shareholders of the parent	-359,479,125.52	41,704,325.54	14,355,596.64	-8,708,002.98	-62,251,062.63	-56,377,481.80		-430,755,750.75
A. Items that will not be reclassified subsequently to profit or loss	-364,851,506.89	41,704,325.54	14,526,995.66	-8,708,002.98	-52,263,225.59	-56,377,481.80	19,850,799.54	-406,118,096.52
1. Remeasurement Changes of Defined Benefit Plans	-120,937,946.57		13,806,520.32		1,321,000.00			-105,810,426.25
2. Other comprehensive income that cannot be reclassified to profit or loss under equity method	-229,145,516.95		14,764,250.00		1,321,000.00			-213,060,266.95
3. Fair value changes of investments in other equity instruments	-10,246.51		10,246.51					
4. Fair value changes of the entity's own credit risk	108,217,816.89		-967,976.19					107,249,840.70
B. Items that may be reclassified subsequently to profit or loss	-243,913,560.32	41,704,325.54	720,475.34	-8,708,002.98	-53,584,225.59	-56,377,481.80	19,850,799.54	-300,307,670.27
1. Other comprehensive income that can be reclassified to profit or loss under equity method								
2. Fair Value Changes of Other Debt Investments	-413,933.58	2,018.87	6,106.64		-236,748.96			-642,557.03
3. Other comprehensive income from reclassification of financial assets								

Items	The audited consolidated income statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Income Statement of the Remaining Group for the year ended 31 December 2024
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))	
4. Debt instrument measured at fair value through other comprehensive income – Credit loss allowance								
5. Cash flow hedge reserve (Effective portion of gains or losses on cash flow hedge)								
6. Translation differences of financial statements presented in foreign currencies	-252,322,524.07	41,702,306.67	816,448.68	-8,708,002.98	-53,347,476.63	-56,377,481.80	19,850,799.54	-308,385,930.59
7. Others	8,822,897.33		-102,079.98					8,720,817.35
* Attributable to non-controlling interests	5,372,381.37		-171,399.02		-9,987,837.04		-19,850,799.54	-24,637,654.23
7. Total comprehensive income								
Attributable to shareholders of the parent	7,544,851,415.97	4,897,458,061.16	-325,012,985.11	-159,469,587.04	-337,398,296.45	-502,218,453.07	795,058,280.70	8,861,343,201.74
* Attributable to non-controlling interests	6,381,102,245.96	4,570,404,048.56	-325,733,030.00	-159,469,587.04	-327,410,458.41	-502,218,453.07	962,247,150.23	7,546,996,680.81
	1,163,749,170.01	327,054,012.60	720,044.89		-9,987,837.04		-167,188,869.53	1,314,346,520.93
8. Earnings per share								
Basic earnings per share (yuan per share)								
Diluted earnings per share (yuan per share)								

UNAUDITED PRO FORMA CONSOLIDATED CASH FLOW STATEMENT

Prepared by: Metallurgical Corporation of China Ltd.

(Expressed in Renminbi unless otherwise indicated)

Items	The audited consolidated cash flow statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Cash Flow Statement of the Remaining Group for the year ended 31 December 2024 Note 6(ii)
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))	
1. Cash flows from operating activities:								
Cash received from sales of goods or rendering of services	429,136,846,264.33	-7,448,657,890.05	-9,029,493,376.50	-873,705,138.56	-2,519,330,161.27	-3,090,112,178.87	4,740,473,968.67	410,916,021,487.75
△Net increase in customer deposits and due to banks and other financial institutions								
△Net increase in borrowings from the Central Bank								
△Net increase in borrowings from other financial institutions								
△Cash received for insurance contract premium								
△Net cash received from reinsurance contracts								
△Net increase in deposits and investments from policyholders								
△Cash received for interest, fee and commission								
△Net increase in borrowings from banks								
△Net cash increase under repurchase agreements								
△Net increase received from securities trading brokerage business								
Refunds of taxes and surcharges	957,273,895.44	-295,780,718.81	-66,581,788.07		-17,650,052.68	-24,943,393.14		552,317,942.74
Cash received relating to other operating activities	13,676,336,696.78	-853,278,763.75	-223,655,770.89		47,570,553.00	-125,760,825.95	563,706,155.79	12,989,676,938.98
Sub-total of cash inflows from operating activities	443,770,456,856.55	-8,597,817,372.61	-9,319,730,935.46	-873,705,138.56	-2,584,550,766.95	-3,240,816,397.96	5,304,180,124.46	424,458,016,369.47

APPENDIX III

UNAUDITED PRO FORMA INFORMATION OF THE REMAINING GROUP

Items	The audited consolidated cash flow statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Cash Flow Statement of the Remaining Group for the year ended 31 December 2024
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))	
Cash paid for goods and services	372,274,206,338.41	-3,599,706,000.60	-6,482,406,789.64	-202,400,772.50	-1,539,022,592.71	-1,499,996,749.65	4,278,820,595.23	363,229,494,048.54
△Net increase in loans and advances to customers								
△Net increase in deposit in the Central Bank and due from banks and other financial institutions								
△Cash paid for claims in insurance contracts								
△Net increase in funds lent under repurchase agreements								
△Cash paid for interest, fee and commission								
△Cash paid for dividends for policyholders								
Cash paid to and on behalf of employees	30,412,731,625.35	-540,712,263.12	-1,349,215,252.37	-108,987,347.25	-296,093,244.30	-349,635,215.82	1,092,959.00	27,769,181,261.49
Cash paid for taxes and surcharges	12,497,725,827.62	-1,592,510,811.47	-327,017,568.65	-46,516,127.80	-163,249,713.47	-79,342,848.69		10,289,088,757.54
Cash paid relating to other operating activities	20,738,089,265.74	-1,230,985,659.45	-296,411,889.12	-58,026,255.31	-237,205,446.98	-158,994,343.86	457,202,793.68	19,213,668,464.70
Sub-total of cash outflows from operating activities	435,922,753,077.12	-6,963,914,734.64	-8,455,051,499.78	-415,930,502.86	-2,235,570,997.46	-2,087,969,158.02	4,737,116,347.91	420,501,432,532.27
Net cash flows from operating activities	7,847,703,779.43	-1,633,902,637.97	-864,679,435.68	-457,774,635.70	-348,979,760.49	-1,152,847,239.94	567,063,776.55	3,956,583,837.20
2. Cash flows from investing activities:								
Cash received from disposal of investments	487,057,148.80		-29,239,595.31				28,816,175.92	486,633,729.41
Cash received from investment income	206,257,700.98		-12,845,656.48				523,805,399.76	717,217,444.26
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	925,919,569.07	-2,950.00	-145,984,335.50					779,932,283.57
Net cash received from disposal of subsidiaries and other business units								
Cash received relating to other investing activities	2,123,276,396.28	-16,528,736,741.34	-8,744,927,623.98		-1,004,455,006.01	-2,578,908,564.27	33,731,682,712.16	58,015,116,376.68
Sub-total of cash inflows from investing activities	3,742,510,815.13	-16,528,739,691.34	-8,932,997,211.27		-1,004,455,006.01	-2,578,908,564.27	34,284,304,287.84	66,998,831,006.76

Items	The audited consolidated cash flow statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Cash Flow Statement of the Remaining Group for the year ended 31 December 2024	
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))		Note 6(i)
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	6,862,652,038.36	-7,514,118.83	-540,272,093.94	-39,474,116.49	-312,847,453.54	-66,504,517.94		475,315,689.84	6,371,355,427.46
Cash paid for acquisition of investments	3,592,778,270.70				-3,204,765.00			194,227,496.91	3,783,801,002.61
△Net increase in mortgage loans									
Cash paid for obtaining subsidiaries and other business units									
Cash paid relating to other investing activities	2,869,110,498.86	-17,101,545,663.27	-9,037,358,010.18		-1,379,238,423.89	-2,614,517,406.00		34,618,933,613.29	7,355,384,608.81
Sub-total of cash outflows from investing activities	13,324,540,807.92	-17,109,059,782.10	-9,577,630,104.12	-39,474,116.49	-1,695,290,642.43	-2,681,021,923.94		35,288,476,800.04	17,510,541,038.88
Net cash flows from investing activities	-9,582,029,992.79	580,320,090.76	644,632,892.85	39,474,116.49	690,835,636.42	102,113,359.67		-1,004,172,512.20	49,486,289,967.88
3. Cash flows from financing activities:									
Cash received from capital contributions	28,113,304,047.09		-3,120,600.00		-191,022,731.91			194,143,331.91	28,113,304,047.09
Including: Cash received from non-controlling shareholders' capital contributions to subsidiaries	9,731,478,172.09		-3,120,600.00					3,120,600.00	9,731,478,172.09
Cash received from borrowings	344,764,475,701.42	-5,573,076,695.18	-576,877,631.33						338,614,521,374.91
Cash received relating to other financing activities	3,552,008,957.18	-1,246,344,750.01	-15,000,000.00			-3,047,588,378.94		34,390,822,990.07	33,633,898,818.30
Sub-total of cash inflows from financing activities	376,429,788,705.69	-6,819,421,445.19	-594,998,231.33		-191,022,731.91	-3,047,588,378.94		34,584,966,321.98	400,361,724,240.30

APPENDIX III

UNAUDITED PRO FORMA INFORMATION OF THE REMAINING GROUP

Items	The audited consolidated cash flow statement of the Group for the year ended 31 December 2024 (Note 3)	Pro forma adjustments						Unaudited Pro Forma Consolidated Cash Flow Statement of the Remaining Group for the year ended 31 December 2024
		Target company1 (Note 4(i))	Target company2 (Note 4(ii))	Target company3 (Note 4(iii))	Target company4 (Note 4(iv))	Target company5 (Note 4(v))	Target company6 (Note 4(vi))	
Cash repayments of borrowings	335,480,579,392.45	-6,204,295,006.00	-484,338,088.62	-386,905,446.75		-87,332,659.32		328,791,926,297.83
Cash payments for distribution of dividends, profits, or for interest expenses	7,781,838,795.95	-686,087,509.34	-159,809,595.75	-386,905,446.75			523,951,087.26	6,985,654,672.05
Including: Subsidiaries' cash payments for distribution of dividends or profits to non-controlling shareholders	463,990,315.77							
Cash paid relating to other financing activities	22,107,548,042.12	-729,192,196.21	-118,091,952.54	-21,364,779.52	-4,563,256.80	-4,115,302,691.48	33,623,906,499.07	463,990,315.77 50,742,939,664.64
Sub-total of cash outflows from financing activities	365,369,966,230.52	-7,619,574,711.55	-762,259,636.91	-408,270,226.27	-4,563,256.80	-4,202,635,350.80	34,147,857,586.33	386,520,520,634.52
Net cash flows from financing activities	11,059,822,475.17	800,153,266.36	167,261,405.58	408,270,226.27	-186,459,475.11	1,155,046,971.86	437,108,735.65	13,841,203,605.78
4. Effect of foreign exchange rate changes on cash and cash equivalents	14,999,986.52	-1,237,160.24	-800,572.43	-1,847,837.62	-9,040,414.28	-184,951,444.61		-182,877,442.66
5. Net increase/(decrease) in cash and cash equivalents	9,340,496,248.33	-254,666,441.09	-53,585,709.68	-11,878,130.56	146,355,977.54	-80,638,353.02		67,101,199,968.20
Add: Opening balance of cash and cash equivalents	33,850,107,871.25	-1,146,910,935.08	-362,382,673.02	-117,524,340.27	-531,535,991.41	-39,192,024.02	58,015,116,376.68 2,197,445,963.80	33,850,107,871.25
6. Closing balance of cash and cash equivalents	43,190,604,119.58	-1,401,577,376.17	-415,868,382.70	-129,402,470.83	-385,180,013.87	-119,830,377.04	60,212,562,340.48	100,951,307,839.45

Metallurgical Corporation of China Ltd.**Notes to the Unaudited Pro Forma Financial Information of the Remaining group****I. BASIS FOR THE PREPARATION OF PRO FORMA FINANCIAL INFORMATION****1. Basis of Preparation**

The pro forma financial information is prepared in accordance with the requirements of Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and in reference to the accounting guidelines for pro forma financial information included in the Investment Circular issued by the Hong Kong Institute of Certified Public Accountants. It is solely for the purpose of the Company's implementation of the major asset reorganization matters described in Note 1, 2 of the pro forma consolidated financial statements.

2. Assumptions for Pro Forma Consolidated Financial Information

The Company intends to transfer 100% of its equity interests in China Nonferrous Engineering Co., Ltd., MCC Tongsin Resources Ltd., Ramu NiCo Management (MCC) Ltd., and 67.02% of its equity interest in MCC-JJJ Mining Development Company Limited to China Minmetals Corporation (hereinafter referred to as “**CMC**”), China Huaye Group Co., Ltd. intends to transfer 100% of its equity interest in China Huaye Duda Mining Co., Ltd. to CMC or its designated entity. On the same day, the Company intends to transfer 100% of its equity interest and relevant receivables in MCC Real Estate Group Co., Ltd. to Minmetals Land Holdings. (hereinafter referred to as “the very significant disposal and connected **transaction**”).

- (1) The accounting policies adopted by the Company in preparing the pro forma consolidated financial statements are consistent with those disclosed in the Group's 2024 annual report.
- (2) The unaudited pro forma consolidated balance sheet as of 30 June 2025, which is used to illustrate the impact of the very significant disposal and connected transactions on the Company's assets and liabilities as of 30 June 2025, is based on the Group's unaudited consolidated interim financial statements for the year 2025, which have been reviewed by Deloitte Touche Tohmatsu Certified Public Accountants LLP.

- (3) The unaudited pro forma consolidated income statement and the unaudited pro forma consolidated cash flow statement for the year 2024, which are used to illustrate the impact of the very significant disposal and connected transactions on the Company's profit and cash flow for the year 2024, are based on the Group's audited consolidated financial statements for the year 2024, which have been audited by Ernst & Young Hua Ming Certified Public Accountants LLP.
- (4) Due to the special purpose of preparing the pro forma consolidated financial statements, the pro forma consolidated financial statements do not include the pro forma consolidated statement of changes in equity, and only individual pro forma consolidated financial information is presented and disclosed, without presenting and disclosing the individual financial information of the parent company.

II. THE PROCESS OF COMPILING PREPARATORY FINANCIAL INFORMATION

Note 1. The amounts are extracted from the unaudited consolidated balance sheets of the Group as at 30 June 2025 as set out in the published Interim report of the Group for the six-month period ended 30 June 2025.

Note 2. The adjustment reflects the exclusion of assets and liabilities of the the target company as at 30 June 2025 as if the disposals had been completed on 30 June 2025. The amounts are extracted from the unaudited financial information of the target company set out in Appendix II to this circular. Include:

- (i) The adjustment reflects the exclusion of consolidated assets and consolidated liabilities of MCC Real Estate Group Co., Ltd. as at 30 June 2025 as if the disposals had been completed on 30 June 2025.
- (ii) The adjustment reflects the exclusion of consolidated assets and consolidated liabilities of China Non-ferrous Engineering Co., Ltd. as at 30 June 2025 as if the disposals had been completed on 30 June 2025.
- (iii) The adjustment reflects the exclusion of assets and liabilities of China Huaye Duddar Mining Co., Ltd. as at 30 June 2025 as if the disposals had been completed on 30 June 2025.
- (iv) The adjustment reflects the exclusion of consolidated assets and consolidated liabilities of MCC Tongsin Resources Limited as at 30 June 2025 as if the disposals had been completed on 30 June 2025.

- (v) The adjustment reflects the exclusion of consolidated assets and consolidated liabilities of MCC-JJJ Mining Development Company Limited as at 30 June 2025 as if the disposals had been completed on 30 June 2025.
- (vi) The adjustment reflects the exclusion of assets and liabilities of Ramu NiCo Management (MCC) Ltd as at 30 June 2025 as if the disposals had been completed on 30 June 2025.

Note 3. The amounts are extracted from the audited consolidated income statements, consolidated cash flow statements of the Group for the years ended 31 December 2024 as set out in the published annual report of the Group for the years ended 31 December 2024.

Note 4. The adjustment is to exclude income statements and cash flow statements of the target company for the year ended 31 December 2024 as if the disposals had been completed on 1 January 2024. The amounts are extracted from the unaudited financial information of the target company set out in Appendix II to this circular. Include:

- (i) The adjustment is to exclude each line item of MCC Real Estate Group Co., that has been incorporated in the consolidated income statements, consolidated cash flow statements of the Group for the year ended 31 December 2024 as if the disposals had been completed on 1 January 2024.
- (ii) The adjustment is to exclude each line item of China Non-ferrous Engineering Co., Ltd. that has been incorporated in the consolidated income statements, consolidated cash flow statements of the Group for the year ended 31 December 2024 as if the disposals had been completed on 1 January 2024.
- (iii) The adjustment is to exclude each line item of China Huaye Duddar Mining Co., Ltd. that has been incorporated in the income statements, cash flow statements of the Group for the year ended 31 December 2024 as if the disposals had been completed on 1 January 2024.
- (iv) The adjustment is to exclude each line item of MCC Tongsin Resources Limited that has been incorporated in the consolidated income statements, consolidated cash flow statements of the Group for the year ended 31 December 2024 as if the disposals had been completed on 1 January 2024.
- (v) The adjustment is to exclude each line item of MCC-JJJ Mining Development Company Limited that has been incorporated in the consolidated income statements, consolidated cash flow statements of the Group for the year ended 31 December 2024 as if the disposals had been completed on 1 January 2024.

- (vi) The adjustment is to exclude each line item of Ramu NiCo Management (MCC) Ltd that has been incorporated in the income statements, cash flow statements of the Group for the year ended 31 December 2024 as if the disposals had been completed on 1 January 2024.

Note 5. The adjustments represents the pro forma loss on the disposals and other related items as if the disposals had been completed on 30 June 2025. which is calculated as follows:

RMB

Total consideration	60,676,322,340.48
Less: Net assets attributable to the parent as at 30 June 2025	
-MCC Real Estate Group Co.,	6,040,793,568.41
Less: Net assets attributable to the parent as at 30 June 2025	
-China Non-ferrous Engineering Co.,	4,277,477,019.29
Less: Net assets attributable to the parent as at 30 June 2025	
-MCC Tongsin Resources Limited	4,758,897,506.89
Less: Net assets attributable to the parent as at 30 June 2025	
-MCC-JJJ Mining Development Company Limited	2,413,070,044.07
Less: Net assets attributable to the parent as at 30 June 2025	
-Ramu NiCo Management (MCC) Ltd	2,600.00
Less: Net assets attributable to the parent as at 30 June 2025	
-China Huaye Duddar Mining Co., Ltd.	244,970,105.61
Less: The carrying value of the disposed debts as at 30 June 2025	46,163,792,568.33
Add: The target company's other comprehensive income transfer to profit or loss as at 30 June 2025	380,575,523.80
Add: Write-off of intercompany unrealized gains and losses, and other impact items related to the target company as at 30 June 2025	787,045,223.91
Less: Transaction costs related to the Disposals	463,760,000.00
Estimated loss on Disposals	-2,518,820,324.41

Include:

- (i) The adjustment for the reversal of the impact of the intercompany balances and unrealized intercompany profit or loss and other impact items between the Target Companies and the Remaining Group as at of 30 June 2025 amount to RMB787,045,223.91, as if the disposals had been completed on 30 June 2025.

- (ii) The adjustments represents the pro forma loss on the disposals as if the disposals had been completed on 30 June 2025.. Pursuant to the sales agreement, the total disposals consideration for the assets amounts to RMB60,676,322,340.48. Considering the carrying value of the disposed debts is RMB46,163,792,568.33, the difference in receivables to be collected for the assets is RMB14,512,529,772.15. As at 30 June 2025, the total carrying value of the target company amount to RMB17,735,210,844.27. Based on the currently available information, assuming that the transaction costs (including transaction taxes) related to the disposals amount to RMB463,760,000.00, Losses from the disposals of equity and debts amount to RMB3,686,441,072.12. Due to the disposals of equity, the amount of other comprehensive income of the target company transferred to investment income is RMB380,575,523.80, and transferred to retained earnings is minus RMB103,786,455.45.

Note 6. The adjustments represents the pro forma loss on the disposals and other related items as if the disposals had been completed on 1 January 2024. which is calculated as follows:

RMB

Total consideration	60,676,322,340.48
Less: Net assets attributable to the parent as at 1 January 2024	
-MCC Real Estate Group Co.,	7,308,693,794.88
Less: Net assets attributable to the parent as at 1 January 2024	
-China Non-ferrous Engineering Co.,	3,904,409,214.89
Less: Net assets attributable to the parent as at 1 January 2024	
-MCC Tongsin Resources Limited	3,838,181,916.56
Less: Net assets attributable to the parent as at 1 January 2024	
-MCC-JJJ Mining Development Company Limited	1,936,189,073.60
Less: Net assets attributable to the parent as at 1 January 2024	
-Ramu NiCo Management (MCC) Ltd	2,600.00
Less: Net assets attributable to the parent as at 1 January 2024	
-China Huaye Duddar Mining Co., Ltd.	432,822,447.21
Less: The carrying value of the disposed debts as at 1 January 2024(Assuming the amount as at 30 June 2025)	46,163,792,568.33
Add: The target company's other comprehensive income transfer to profit or loss as at 30 June 2025	319,604,039.57
Add: Write-off of intercompany unrealized gains and losses and other impact items related to the target company as at 1 January 2024	2,125,326,422.38
Less: Transaction costs related to the Disposals	463,760,000.00
Estimated loss on Disposals	-926,598,813.04

Include:

- (i) The adjustment for the reversal of the impact of the intercompany transactions and unrealized intercompany profit or loss and other impact items between the Target Companies and the Remaining Group as at 1 January 2024 amount to RMB2,125,326,422.38, as if the disposals had been completed on 1 January 2024.
- (ii) The adjustments represents the pro forma loss on the disposals as if the disposals had been completed on 1 January 2024. Pursuant to the sales agreement, the total disposals consideration for the assets amounts to RMB60,676,322,340.48. As at 1 January 2024, the total carrying value of the target company amount to RMB17,420,299,047.14. Assuming that the carrying value of the disposed claim remains consistent with that as at June 30 2025, which is RMB46,163,792,568.33. Based on the currently available information, assuming that the transaction costs (including transaction taxes) related to the disposals amount to RMB463,760,000.00, Losses from the disposals of equity and debts amount to RMB3,371,529,274.99. Due to the disposal of equity, the amount of other comprehensive income of the target company transferred to investment income is RMB319,604,039.57.

Note 7. The adjustments represents the pro forma cash flow statements on the disposals as if the disposals had been completed on 1 January 2024. which is calculated as follows:

RMB

Total consideration	60,676,322,340.48
Less: cash and cash equivalents of the target company	2,197,445,963.80
Less: Transaction costs related to the disposals of the company	463,760,000.00
Net increase/(decrease) in cash and cash equivalents of the disposals	58,015,116,376.68

Include:

- (i) The adjustment represents the reversal of elimination of the intercompany cash flow between the Target Companies and the Remaining Group, which were reflected in the consolidated cash flow statements of the Group for the year ended 1 January 2024, as if the disposals had been completed on 1 January 2024.
- (ii) The adjustments represents the pro forma cash flow on the disposals as if the disposals had been completed on 1 January 2024. Based on the currently available information, assuming that the transaction costs (including transaction taxes) related to the disposals amount to RMB463,760,000.00 is paid in cash; and the total disposals consideration for the disposed assets of RMB60,676,322,340.48 has been received in cash.

MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP

Set out below is the management discussion and analysis on the Remaining Group for the three years ended 31 December 2022, 2023 and 2024 and for the six months ended 30 June 2025. Upon Completion of the Disposals, the Company will no longer hold any equity interest in the Target Companies, and the Target Companies will no longer remain as subsidiaries of the Company.

For the purpose of this circular and for illustration purpose only, the management discussion and analysis of the Remaining Group below is made with the exclusion of the Target Companies.

The financial data in respect of the Remaining Group, for the purpose of this circular, is derived from the consolidated financial statements of the Company for the reporting periods which eliminates the impact regarding profit or loss in respect of the Disposals. For further financial information of the Group, please refer to the section headed “Management Discussion and Analysis” of the Company’s annual reports for the years ended 31 December 2022 (pages 17-70), 31 December 2023 (page 19-72) and 31 December 2024 (pages 16-70) and the Company’s interim report for the six months ended 30 June 2025 (pages 20-60).

1. For the six months ended 30 June 2025**A. *Segment Information******Engineering Contracting Business***

The engineering contract business segment has contributed approximately RMB214,309 million or 93.59% of the consolidated operating revenue of the Remaining Group for the six months ended 30 June 2025, as compared to RMB272,388 million or 94.01% of the consolidated operating revenue of the Remaining Group for the six months ended 30 June 2024, representing a period-on-period decrease of 21.32%.

The gross margin of the engineering contract business segment was 9.41% of the Remaining Group for the six months ended 30 June 2025, as compared to 8.51% of the Remaining Group for the six months ended 30 June 2024, representing an increase of 0.90 percentage points.

Featured Business

The featured business segment has contributed approximately RMB14,735 million or 6.43% of the consolidated operating revenue of the Remaining Group for the six months ended 30 June 2025, as compared to RMB15,685 million or 5.41% of the consolidated operating revenue of the Remaining Group for the six months ended 30 June 2024, representing a period-on-period decrease of 6.06%.

The gross margin of the features business segment was 14.74% of the Remaining Group for the six months ended 30 June 2025, as compared to 14.20% of the Remaining Group for the six months ended 30 June 2024, representing an increase of 0.54 percentage points.

Other Businesses

The other businesses segment has contributed approximately RMB1,655 million or 0.72% of the consolidated operating revenue of the Remaining Group for the six months ended 30 June 2025, as compared to RMB3,067 million or 1.06% of the consolidated operating revenue of the Remaining Group for the six months ended 30 June 2024, representing a period-on-period decrease of 46.05%.

The gross margin of the other businesses segment was 19.47% of the Remaining Group for the six months ended 30 June 2025, as compared to 18.75% of the Remaining Group for the six months ended 30 June 2024, representing an increase of 0.72 percentage points.

B. Liquidity, Financial Resources and Capital Structure***Cash and bank balances***

As at 30 June 2025 and 31 December 2024, the balances of cash and bank balances of the Remaining Group were RMB50,243 million and RMB49,828 million, respectively, representing an increase of 0.83% as compared with the beginning of the year. As at 30 June 2025 and 31 December 2024, the restricted cash and bank balances of the Remaining Group were RMB7,565 million and RMB9,090 million, respectively, which accounted for 15.06% and 18.24% of the cash and bank balances, respectively. The restricted cash and bank balances mainly included bank deposits for issuing acceptance bills, guarantee deposits, frozen funds for lawsuit, project supervision funds and wage deposits for rural migrant workers, etc.

Long-term and short-term borrowings

Long-term and short-term borrowings of the Remaining Group mainly consisted of credit loans, pledge loans and guaranteed loans from commercial banks and other financial organizations. As at 30 June 2025 and 31 December 2024, the carrying value of the Company's short-term borrowings were RMB58,896 million and RMB33,545 million, respectively, representing an increase of 75.57% as compared with the beginning of the year. As at 30 June 2025 and 31 December 2024, the carrying value of the Remaining Group's long-term borrowings were RMB37,871 million and RMB33,078 million, respectively, representing an increase of 14.49% as compared with the beginning of the year.

During the six months ended 30 June 2025, the short-term borrowings and long-term borrowings repaid by the Remaining Group amounted to RMB74,513 million and RMB5,864 million, respectively. As at the end of the Reporting Period, the balances of fixed-rate short-term borrowings and fixed-rate long-term borrowings amounted to RMB55,450 million and RMB20,329 million, respectively.

For the funding policy, the Group funds its working capital and other capital requirements from a combination of various sources, including but not limited to internal resource and external borrowing at reasonable interest rates. For the treasury policy, the Group adopts centralized management on financing activities and prudent financial management approach on the use of capital.

C. Significant Investments Held

The Remaining Group did not have any significant investments, material acquisitions or disposals of assets, subsidiaries, associates or joint ventures during the six months ended 30 June 2025.

D. Material Acquisitions and Disposals of Subsidiaries and Associated Companies

The Remaining Group has no material acquisition or disposals of subsidiaries and associated companies during the six months ended 30 June 2025.

E. Employees, Remuneration Policy and Training Programmes

As at 30 June 2025, the total number of existing staff of the Remaining Group was 87,657.

The Remaining Group implements a market-aligned remuneration system on the basis of performance appraisal. In accordance with applicable regulations, the Remaining Group established the basic pension contribution plan, basic medical insurance, unemployment insurance, maternity insurance, workers' injury compensation insurance and housing fund for employees. In accordance with applicable laws and regulations, the amount of contribution to the aforesaid social securities and housing fund are strictly based on state, provincial and municipal requirements. As approved by higher authorities, the Remaining Group also set up its enterprise annuity system for employees according to applicable regulations.

F. Pledge of Assets

As at 30 June 2025, the pledged loans of RMB13,820 million were secured by the pledge of the Remaining Group's investment accounts receivables, other receivables, long-term receivables and long-term equity investments in an aggregate carrying amount of RMB16,807 million.

As at 30 June 2025, the mortgaged loans of RMB1,269 million were secured by the mortgage of the Remaining Group's investment properties, intangible assets and fixed assets in an aggregate carrying amount of RMB1,616 million.

G. Gearing Ratio

The gearing ratio of the Remaining Group as at 30 June 2025 was 78.81%.

H. Foreign Exchange Risks

The Remaining Group's principal operations are located in China, and its principal operating activities are settled in RMB. However, the Remaining Group's recognised foreign currency assets and liabilities, as well as future foreign currency transactions (primarily denominated in USD) are still exposed to foreign exchange risk. The treasury department of the headquarters of the Remaining Group is responsible for monitoring the scale of foreign currency transactions and foreign currency assets and liabilities to minimise the associated foreign exchange risk. The Remaining Group uses foreign exchange forward contracts and currency swap contracts to hedge a portion of the exchange rate risk. According to management's assessment, a reasonable fluctuation of the RMB against foreign currencies in the near term is not expected to have a significant impact on the Group's operating results.

I. Contingent Liabilities

As at 30 June 2025, the Remaining Group did not have any material contingent liabilities.

2. FOR THE YEAR ENDED 31 DECEMBER 2024**A. Segmental Information*****Engineering Contracting Business***

The engineering contract business segment has contributed approximately RMB497,163 million or 92.72% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2024, as compared to RMB581,723 million or 94.09% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2023, representing a year-on-year decrease of 14.54%.

The gross margin of the engineering contract business was 9.16% of the Remaining Group for the year ended 31 December 2024, as compared to 9.00% of the Remaining Group for the year ended 31 December 2023, representing an increase of 0.16 percentage points.

Featured Business

The featured business segment has contributed approximately RMB31,138 million or 5.81% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2024, as compared to RMB31,436 million or 5.08% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2023, representing a year-on-year decrease of 0.95%.

The gross margin of the features business segment was 14.63% of the Remaining Group for the year ended 31 December 2024, as compared to 15.34% of the Remaining Group for the year ended 31 December 2023, representing a decrease of 0.71 percentage points.

Other Businesses

The other businesses segment has contributed approximately RMB11,807 million or 2.20% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2024, as compared to RMB8,469 million or 1.37% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2023, representing a year-on-year increase of 39.42%.

The gross margin of the other businesses segment was 7.58% of the Remaining Group for the year ended 31 December 2024, as compared to 13.85% of the Remaining Group for the year ended 31 December 2023, representing a decrease of 6.27 percentage points.

B. Liquidity, Financial Resources and Capital Structure

Cash and bank balances

As at 31 December 2024 and 31 December 2023, the balances of cash and bank balances of the Remaining Group were RMB49,828 million and RMB41,774 million, respectively, representing an increase of 19.28% from the beginning of the year. As at 31 December 2024 and 31 December 2023, the restricted cash and bank balances of the Remaining Group were RMB9,090 million and RMB10,121 million, respectively, which accounted for 18.24% and 24.23% of the cash and bank balances, respectively. The restricted cash and bank balances mainly included bank deposits for issuing acceptance bills, guarantee deposits, frozen funds for lawsuit, project supervision funds and wage deposits for rural migrant workers, etc.

Long-term and short-term borrowings

Long-term and short-term borrowings of the Remaining Group mainly consisted of credit loans, pledge loans and guaranteed loans from commercial banks and other financial organizations. As at 31 December 2024 and 31 December 2023, the carrying value of the Remaining Group's short-term borrowings were RMB33,545 million and RMB28,220 million, respectively, representing an increase of 18.87% from the beginning of the year. As at 31 December 2024 and 31 December 2023, the carrying value of the Remaining Group's long-term borrowings were RMB33,078 million and RMB23,591 million, respectively, representing an increase of 40.22% from the beginning of the year.

During the Reporting Period, the short-term borrowings and long-term borrowings repaid by the Remaining Group amounted to RMB317,668 million and RMB16,126 million, respectively. As at the end of the Reporting Period, the balances of fixed-rate short-term borrowings and fixed-rate long-term borrowings amounted to RMB23,047 million and RMB12,134, respectively.

C. Significant Investments Held

The Remaining Group did not have any significant investments, material acquisitions or disposals of assets, subsidiaries, associates or joint ventures during the reporting periods.

D. Material Acquisitions and Disposals of Subsidiaries and Associated Companies

Save as disclosed in page 70 of the annual report of the Company for the year ended 31 December 2024, the Remaining Group has no material acquisition or disposals of subsidiaries and associated companies during the year ended 31 December 2024.

E. Employees, Remuneration Policy and Training Programmes

As at 31 December 2024, the total number of existing staff of the Remaining Group was 83,618.

The Remaining Group implements a market-oriented and performance-based remuneration system. In accordance with applicable regulations, the Remaining Group establishes basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance, work-related injury insurance and housing provident fund for employees. In accordance with applicable laws and regulations, the above social insurance and housing provident fund are paid in strict accordance with national, provincial and municipal regulations. The Remaining Group has also established enterprise annuities for employees in accordance with applicable regulations and with the approval of higher units.

F. Pledge of Assets

As at 31 December 2024, long-term borrowings of RMB10,992 million were secured by the pledge of the Group's accounts receivable, other receivables, long-term receivables and long-term equity investments in amount of RMB16,139 million.

As at 31 December 2024, long-term borrowings of RMB1,265 million were secured by the mortgage of the Group's intangible assets, fixed assets, investment properties, inventories and other assets in amount of RMB1,996 million.

G. Gearing Ratio

The gearing ratio of the Remaining Group as at 31 December 2024 was 78.63%.

H. Foreign Exchange Risks

The functional currency of a majority of the entities within the Group is RMB and most of the transactions are settled in RMB. However, there are also foreign currencies denominated transactions. The Group's exposure to foreign exchange risk relates principally to USD. To monitor the impact of exchange rate fluctuations, the Group continually assesses and monitors its exposure to foreign exchange risk. Management continuously monitors foreign exchange exposure and will prudently consider hedging significant foreign exchange exposure should the need arises. The Group uses foreign exchange forward contracts and currency swap contracts to offset part of the foreign exchange risk. The management is of the view that the reasonable fluctuation of the exchange rate in the near future will not have a significant impact on the operating results of the Group.

I. Contingent Liabilities

As at 31 December 2024, the Remaining Group did not have any material contingent liabilities.

3. FOR THE YEAR ENDED 31 DECEMBER 2023**A. Segmental Information*****Engineering Contracting***

The engineering contract segment has contributed approximately RMB581,723 million or 94.09% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2023, as compared to RMB526,396 million or 93.61% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2022, representing a year-on-year increase of 10.51%.

The gross margin of the engineering contract segment was 9.00% of the Remaining Group for the year ended 31 December 2023, as compared to 8.83% of the Remaining Group for the year ended 31 December 2022, representing an increase of 0.17 percentage points.

Featured Business

The featured business segment as contributed approximately RMB31,436 million or 5.08% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2023, as compared to RMB31,460 million or 5.59% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2022, representing a year-on-year decrease of 0.08%.

The gross margin of the features business segment was 15.34% of the Remaining Group for the year ended 31 December 2023, as compared to 13.34% of the Remaining Group for the year ended 31 December 2022, representing an increase of 2.00 percentage points.

Other businesses

The other businesses segment as contributed approximately RMB8,469 million or 1.37% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2023, as compared to RMB8,417 million or 1.50% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2022, representing a year-on-year increase of 0.62%.

The gross margin of the other businesses segment was 13.85% of the Remaining Group for the year ended 31 December 2023, as compared to 14.68% of the Remaining Group for the year ended 31 December 2022, representing a decrease of 0.83 percentage points.

B. Liquidity, Financial Resources and Capital Structure***Cash and bank balances***

As at 31 December 2023 and 31 December 2022, the balances of cash and bank balances of the Remaining Group were RMB41,774 million and RMB42,253 million, respectively, representing a year-on-year decrease of 1.13%.

As at 31 December 2023 and 31 December 2022, the restricted cash and bank balances of the Remaining Group were RMB10,121 million and RMB11,620 million, respectively, which accounted for 24.23% and 27.50% of the cash and bank balances, respectively. The restricted cash and bank balances mainly included bank deposits for issuing acceptance bills, guarantee deposits, frozen funds for lawsuit, project supervision funds and wage deposits for rural migrant workers, etc.

Long-term and short-term borrowings

Long-term and short-term borrowings of the Remaining Group mainly consisted of credit loans, pledge loans and guaranteed loans from commercial banks and other financial organizations. As at 31 December 2023 and 31 December 2022, the carrying value of the Company's short-term borrowings were RMB28,220 million and RMB19,024 million, respectively, representing a year-on-year increase of 48.34%. As at 31 December 2023 and 31 December 2022, the carrying value of the Remaining Group's long-term borrowings were RMB23,591 million and RMB19,543 million, respectively, representing a year-on-year increase of 20.71%.

During the year ended 31 December 2023, the short-term borrowings and long-term borrowings repaid by the Remaining Group amounted to RMB172,686 million and RMB8,621 million, respectively. As at the end of the year ended 31 December 2023, the balances of fixed-rate short-term borrowings and fixed-rate long-term borrowings amounted to RMB20,102 million and RMB16,256 million, respectively.

The Remaining Group obtains interest income on its bank demand deposits at the interest rates for demand deposits. The fixed deposit term for short-term deposits range from 30 days to 3 months, depending on the Remaining Group's demands for cash and the interest income is earned at the corresponding interest rates for demand deposits.

C. Significant Investments Held

The Remaining Group did not have any significant investments, material acquisitions or disposals of assets, subsidiaries, associates or joint ventures for the year ended 31 December 2023.

D. Material Acquisitions and Disposals of Subsidiaries and Associated Companies

The Remaining Group has no material acquisition or disposals of subsidiaries and associated companies during the year ended 31 December 2023.

E. Employees, Remuneration Policy and Training Programmes

As at 31 December 2023, the total number of existing staff of the Remaining Group was 89,468.

The Remaining Group implements a market-oriented and performance-based remuneration system. In accordance with applicable regulations, the Remaining Group establishes basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance, work-related injury insurance and housing provident fund for employees. In accordance with applicable laws and regulations, the above social insurance and housing provident fund are paid in strict accordance with national, provincial and municipal regulations. The Remaining Group has also established enterprise annuities for employees in accordance with applicable regulations and with the approval of higher units.

F. Pledge of Assets

As at 31 December 2023, long-term borrowings of RMB4,846 million were secured by the pledge of the Remaining Group's accounts receivable, other receivables, long-term receivables and long-term equity investments in amount of RMB5,469 million.

As at 31 December 2023, long-term borrowings of RMB1,010 million were secured by the mortgage of the Remaining Group's intangible assets, fixed assets, investment properties, inventories and other assets in amount of RMB1,623 million.

G. Gearing Ratio

The gearing ratio of the Remaining Group as at 31 December 2023 was 75.55%.

H. Foreign Exchange Risks

The functional currency of a majority of the entities within the Remaining Group is RMB and most of the transactions are settled in RMB. However, there are also foreign currencies denominated transactions. The Group's exposure to foreign exchange risk relates principally to USD. To monitor the impact of exchange rate fluctuations, the Remaining Group continually assesses and monitors its exposure to foreign exchange risk. Management continuously monitors foreign exchange exposure and will prudently consider hedging significant foreign exchange exposure should the need arises. The Remaining Group uses foreign exchange forward contracts and currency swap contracts to offset part of the foreign exchange risk. The management is of the view that the reasonable fluctuation of the exchange rate in the near future will not have a significant impact on the operating results of the Group.

I. Contingent Liabilities

As at 31 December 2023, the Remaining Group did not have any material contingent liabilities.

4. FOR THE YEAR ENDED 31 DECEMBER 2022**A. Segmental Information*****Engineering Contracting Business***

The engineering contract business segment has contributed approximately RMB546,248 million or 96.36% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2022, as compared to RMB454,313 million or 95.47% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2021, representing a year-on-year increase of 20.24%.

The gross margin of the engineering contract business segment was 8.85% of the Remaining Group for the year ended 31 December 2022, as compared to 9.13% of the Remaining Group for the year ended 31 December 2021, representing a decrease of 0.28 percentage points.

Equipment Manufacturing Business

The equipment manufacturing segment has contributed approximately RMB12,319 million or 2.17% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2022, as compared to RMB11,623 million or 2.44% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2021, representing a year-on-year increase of 5.99%.

The gross margin of the equipment manufacturing segment was 11.58% of the Remaining Group for the year ended 31 December 2022, as compared to 15.12% of the Remaining Group for the year ended 31 December 2021, representing a decrease of 3.54 percentage points.

Other businesses

The other businesses segment has contributed approximately RMB10,037 million or 1.77% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2022, as compared to RMB13,658 million or 2.87% of the consolidated operating revenue of the Remaining Group for the year ended 31 December 2021, representing a year-on-year decrease of 26.51%.

The gross margin of the other businesses segment was 18.28% of the Remaining Group for the year ended 31 December 2022, as compared to 24.97% of the Remaining Group for the year ended 31 December 2021, representing a decrease of 6.69 percentage points.

B. Liquidity, Financial Resources and Capital Structure***Cash and bank balances***

As at 31 December 2022 and 31 December 2021, the balances of cash and bank balances of the Remaining Group were RMB42,253 million and RMB36,481 million, respectively, representing a year-on-year increase of 15.82%. As at 31 December 2022 and 31 December 2021, the restricted cash and bank balances of the Remaining Group were RMB11,620 million and RMB9,941 million, respectively, which accounted for 27.50% and 27.25% of the cash and bank balances, respectively. The restricted cash and bank balances mainly included bank acceptance bill margin deposits, deposits for the guarantee letter, frozen funds for lawsuit, project supervision funds and wage deposits for rural migrant workers, etc.

Long-term and short-term borrowings

Long-term and short-term borrowings of the Remaining Group mainly consisted of credit loans, pledge loans and guaranteed loans from commercial banks and other financial organizations. As at 31 December 2022 and 31 December 2021, the carrying value of the Company's short-term borrowings were RMB19,024 million and RMB19,468 million, respectively, representing a year-on-year decrease of 2.29%. As at 31 December 2022 and 31 December 2021, the carrying value of the Remaining Group's long-term borrowings were RMB19,543 million and RMB16,058 million, respectively, representing a year-on-year increase of 21.70%.

During the year ended 31 December 2022, the short-term borrowings and long-term borrowings repaid by the Remaining Group amounted to RMB101,368 million and RMB13,724 million, respectively. As at the end of the year ended 31 December 2022, the balances of fixed-rate short-term borrowings and fixed-rate long-term borrowings amounted to RMB13,139 million and RMB10,756 million, respectively.

C. Significant Investments Held

The Remaining Group did not have any significant investments, material acquisitions or disposals of assets, subsidiaries, associates or joint ventures for the year ended 31 December 2022.

D. Material Acquisitions and Disposals of Subsidiaries and Associated Companies

The Remaining Group has no material acquisition or disposals of subsidiaries and associated companies during the year ended 31 December 2022.

E. Employees, Remuneration Policy and Training Programmes

As at 31 December 2022, the total number of existing staff of the Remaining Group was 88,553.

The Remaining Group implements a market-oriented and performance-based remuneration system. In accordance with applicable regulations, the Remaining Group establishes basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance, work-related injury insurance and housing provident fund for employees. In accordance with applicable laws and regulations, the above social insurance and housing provident fund are paid in strict accordance with national, provincial and municipal regulations. The Remaining Group has also established enterprise annuities for employees in accordance with applicable regulations and with the approval of higher authorities.

F. Pledge of Assets

As at 31 December 2022, long-term borrowings of RMB4,917 million were secured by the pledge of the Remaining Group's accounts receivable, other receivables, long-term receivables and long-term equity investments in amount of RMB4,964 million.

As at 31 December 2022, long-term borrowings of RMB607 million were secured by the mortgage of the Remaining Group's intangible assets, fixed assets, investment properties, inventories and other assets in amount of RMB1,271 million.

G. Gearing Ratio

The gearing ratio of the Remaining Group as at 31 December 2022 was 73.57%.

H. Foreign Exchange Risks

The functional currency of a majority of the entities within the Remaining Group is RMB and most of the transactions are settled in RMB. However, there are also foreign currencies denominated transactions. The Remaining Group's exposure to foreign exchange risk relates principally to USD. To monitor the impact of exchange rate fluctuations, the Remaining Group continually assesses and monitors its exposure to foreign exchange risk. Management continuously monitors foreign exchange exposure and will prudently consider hedging significant foreign exchange exposure should the need arises. The Remaining Group uses foreign exchange forward contracts and currency swap contracts to offset part of the foreign exchange risk. The management is of the view that the reasonable fluctuation of the exchange rate in the near future will not have a significant impact on the operating results of the Remaining Group.

I. Contingent Liabilities

As at 31 December 2022, the Remaining Group did not have any material contingent liabilities.

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

Asset Valuation Report

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

ZSZYPB [2025] No. 010157

(Volume 1 of 1)

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

STATEMENT

- I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.
- II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.
- III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.
- VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the title-holding entities, and confirmed by them through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.
- VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.
- VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

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

ZSZYPB [2025] No. 010157

SUMMARY

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

- I. Valuation Purpose:** According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. (hereinafter referred to as “MCC”) intends to conduct the overall transfer of equity and claims. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to appraise the market value of the asset package formed by the entire equity interest and corresponding claims of MCC Real Estate Group Co., Ltd. (hereinafter referred to as “MCC Real Estate”) held by MCC, involved in the aforementioned transaction, to serve as a reference for the value of the transaction.
- II. Valuation Object and Scope:** The appraisal object in this valuation is the market value of the asset package formed by the entire equity interest and claims of MCC Real Estate Group Co., Ltd. held by MCC. The scope of the appraisal covers the equity and claims of MCC Real Estate held by MCC. As of the valuation date, July 31, 2025, the book value of MCC’s long-term equity investment in MCC Real Estate was RMB10,814,518,100, and the book value of MCC’s receivables from MCC Real Estate was RMB46,163,792,600.
- III. Bases of Value:** Market value.
- IV. Valuation Date:** July 31, 2025.
- V. Valuation Method:** Asset-based approach

- VI. Valuation Conclusion:** The appraised value of the asset package formed by the entire equity interest and claims of MCC Real Estate Group Co., Ltd. held by MCC is RMB31,236,589,800 (in words: Thirty-one Billion Two Hundred and Thirty-six Million Five Hundred and Eighty-nine Thousand Eight Hundred Yuan Only).
- VII. Validity Period of the Valuation Report:** In accordance with relevant regulations, the validity period of the valuation conclusion of this report is, in principle, one year from the valuation date, that is, from July 31, 2025 to July 30, 2026.
- VII. Special Matters Affecting the Valuation Conclusion:** When using this valuation conclusion, users of this Valuation Report are advised to note the valuation assumptions, limiting conditions, and special matters set forth in the main text of the Report, as well as their impact on the valuation conclusion, and to give them full consideration.

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

Asset Valuation Report

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

ZSZYPB [2025] No. 010157

TEXT

To MCC,

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

The asset valuation condition is now reported as follows:

I. GENERAL INFORMATION ON THE CLIENT, THE TITLE-HOLDING ENTITIES, AND OTHER USERS OF THE ASSET VALUATION REPORT AS STIPULATED IN THE ASSET VALUATION ENGAGEMENT CONTRACT

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

Company Name:	MCC
Unified Social Credit Code:	91110000710935716X
Company Type:	Joint stock limited company (listed, state-controlled)
Legal Representative:	Chen Jianguang
Registered Capital:	RMB20,723,619,170
Domicile:	No. 28 Shuguang Xili, Chaoyang District, Beijing
Establishment Date:	December 1, 2008
Business Term:	December 1, 2008 to No Fixed Term

Business Scope:

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

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

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

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

II. VALUATION PURPOSE

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

III. VALUATION OBJECT AND SCOPE**(I) Appraisal Object and Scope**

The appraisal object of this project is the market value of the asset package formed by the entire equity interest and claims of MCC Real Estate held by MCC. The appraisal scope covers the equity and claims of MCC Real Estate held by MCC. As of the valuation date, July 31, 2025, the book value of MCC's long-term equity investment in MCC Real Estate was RMB10,814,518,100, and the book value of MCC's receivables from MCC Real Estate was RMB46,163,792,600.

The above appraisal object and scope are consistent with those involved in the relevant transaction. Baker Tilly China Certified Public Accountants (Special General Partnership) has audited the book values of the equity and claims included in this appraisal scope and issued a standard unqualified audit report. This appraisal is based on the company's financial statements after audit.

(II) Major Assets within the Appraisal Scope

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

Table of Long-term Equity Investments

Unit: RMB10,000

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

Long-term equity investments:

(1) Basic Information of the Company

Company Name:	MCC Real Estate Group Co., Ltd.
Former Name:	MCC Real Estate Co., Ltd.
Unified Social Credit Code:	91110108801489416U
Company Type:	Limited liability company (sole proprietorship of legal person)
Legal Representative:	Lei Qing
Registered Capital:	RMB10 billion
Domicile:	29F (25), 30F (26), No. 17 Madian East Road, Haidian District, Beijing
Establishment Date:	September 5, 2001
Business Term:	From September 5, 2001, to September 4, 2031

Business Scope:

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

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

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

Unit: RMB10,000

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

2. *Historical Evolution*

1) *Company Establishment in 2001*

The predecessor of MCC Real Estate was Beijing Xin'ao Real Estate Development Co., Ltd. It was established with the approval of the Chongwen District Branch of Beijing Administration for Industry and Commerce, with a capital contribution of RMB17.60 million (in currency) by China 22nd Metallurgical Construction Corporation Limited and RMB4.40 million (in currency) by Beijing DALONG Construction Group. The company obtained its business license (Registration No. 1101031325768) on September 5, 2001, with a total registered capital of RMB22.00 million at the time of its establishment.

2) *Equity Transfer in 2003*

On June 6, 2003, as resolved by the shareholders' meeting of the company, all the 20.00% equity in the company held by its shareholder, Beijing DALONG Construction Group, was transferred to Hou Baoxu. In the same month, the company's registered capital was changed to RMB52.00 million, of which China 22nd Metallurgical Construction Corporation Limited contributed RMB41.10 million, accounting for 79.00%; Hou Baoxu contributed RMB10.90 million, accounting for 21.00%.

3) *Company Name Change in 2005*

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

4) *Equity Transfer in 2005*

In May 2005, as resolved by the fourth shareholders' meeting of the second session of the company, the equity corresponding to RMB5.90 million of the capital contributed by Hou Baoxu was transferred to China 22nd Metallurgical Construction Corporation Limited.

In May 2005, the first shareholders' meeting of the third session of the company approved the capital contributions of RMB50.00 million by Capital Engineering & Research Incorporation Limited, RMB30.00 million by Tianjin 20th Metallurgical Construction Co., Ltd., and RMB5.00 million by Central Research Institute of Building and Construction, MCC Group. In June 2005, the company's registered capital was changed to RMB137.00 million. Capital Engineering & Research Incorporation Limited contributed RMB50.00 million, accounting for 36.49% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB47.00 million, accounting for 34.31% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB30.00 million, accounting for 21.90% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB5.00 million, accounting for 3.65% of the total; Hou Baoxu contributed RMB5.00 million, accounting for 3.65% of the total. In July 2005, the second shareholders' meeting of the third session of the company approved the admission of China Metallurgical Construction Corporation as a new shareholder. In August 2005, the company's registered capital was changed to RMB240.00 million. China 22nd Metallurgical Construction Corporation Limited contributed RMB120.00 million, accounting for 50.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB50.00 million, accounting for 20.83% of the total; China Metallurgical Construction Corporation contributed RMB30.00 million, accounting for 12.50% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB30.00 million, accounting for 12.50% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB5.00 million, accounting for 2.08% of the total; Hou Baoxu contributed RMB5.00 million, accounting for 2.08% of the total.

5) *Company Name Change in 2006*

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

6) *Equity Transfer in 2006*

In May 2006, as resolved by the fifth shareholders' meeting of the second session of the company, the entire 2.08% equity (capital contribution of RMB5.00 million) held by shareholder Hou Baoxu in the company was transferred to China Metallurgical Group Corporation (formerly known as "China Metallurgical Construction Corporation", which changed its name to "China Metallurgical Group Corporation" in March 2006 and obtained the *Notice on the Approval for Change Registration* ((G) DJNB Zi [2006] No. 235). Then the capital contribution of China Metallurgical Group Corporation was changed to RMB35.00 million, accounting for 14.58% of the total.

7) *Equity Transfer in 2008*

In March 2008, the company's registered capital was changed to RMB320.00 million. China 22nd Metallurgical Construction Corporation Limited contributed RMB120.00 million, accounting for 37.50% of the total; China Metallurgical Group Corporation contributed RMB115.00 million, accounting for 35.90% of the total; Capital Engineering & Research Incorporation Limited contributed RMB50.00 million, accounting for 15.60% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB30.00 million, accounting for 9.38% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB5.00 million, accounting for 1.56% of the total;

In June 2008, the company's registered capital was changed to RMB500.00 million. China Metallurgical Group Corporation contributed RMB295.00 million, accounting for 59.00% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB120.00 million, accounting for 24.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB50.00 million, accounting for 10.00% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB30.00 million, accounting for 6.00% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB5.00 million, accounting for 1.00% of the total.

In December 2008, pursuant to the approval by the State-owned Assets Supervision and Administration Commission of the State Council in the *Official Reply on Issues Concerning the State-owned Equity Management of MCC* (In Preparation) (GZCQ [2008] No. 1289) and the resolution of the second shareholders' meeting of the third session of the company on December 5, 2008, the 59.00% equity in the company held by China Metallurgical Group Corporation was transferred to MCC. The company's equity structure was changed as follows: MCC contributed RMB295.00 million, accounting for 59.00% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB120.00 million, accounting for 24.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB50.00 million, accounting for 10.00% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB30.00 million, accounting for 6.00% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB5.00 million, accounting for 1.00% of the total.

8) *Equity Transfer in 2009*

In April 2009, the company's registered capital was changed to RMB2,000.00 million. After the increase in the registered capital, MCC contributed RMB1,795.00 million, accounting for 89.75% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB120.00 million, accounting for 6.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB50.00 million, accounting for 2.50% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB30.00 million, accounting for 1.50% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB5.00 million, accounting for 0.25% of the total.

9) *Equity Transfer in 2010*

In January 2010, the company's registered capital was changed to RMB2,140.80 million. MCC contributed RMB1,921.368 million, accounting for 89.75% of the total; China 22nd Metallurgical Construction Corporation Limited contributed RMB128.448 million, accounting for 6.00% of the total; Capital Engineering & Research Incorporation Limited contributed RMB53.52 million, accounting for 24.87% of the total; Tianjin 20th Metallurgical Construction Co., Ltd. contributed RMB32.112 million, accounting for 1.50% of the total; Central Research Institute of Building and Construction, MCC Group contributed RMB5.352 million, accounting for 0.25% of the total.

10) Company Name Change in 2010

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

11) Equity Transfer in 2011

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

12) Change in Registered Capital in 2014

On January 2, 2014, pursuant to the resolution of the shareholders' meeting of the company, the company's registered capital was increased by RMB959.20 million, bringing the total registered capital to RMB3,100.00 million.

13) Change in Registered Capital in 2016

On September 1, 2016, MCC increased the company's paid-in capital by RMB528,221,519.41 in monetary fund. After the increase, the company's paid-in capital rose from RMB3,100,000,000.00 to RMB3,628,221,519.41, and the registered capital increased from RMB3,100,000,000.00 to RMB3,628,221,519.41.

14) Change in Registered Capital in 2017

On December 8, 2017, China MCC increased the company's paid-in capital by converting a loan into capital. After the increase, the company's paid-in capital rose from RMB3,628,221,519.41 to RMB5,000,000,000.00, and the registered capital increased from RMB3,628,221,519.41 to RMB5,000,000,000.00.

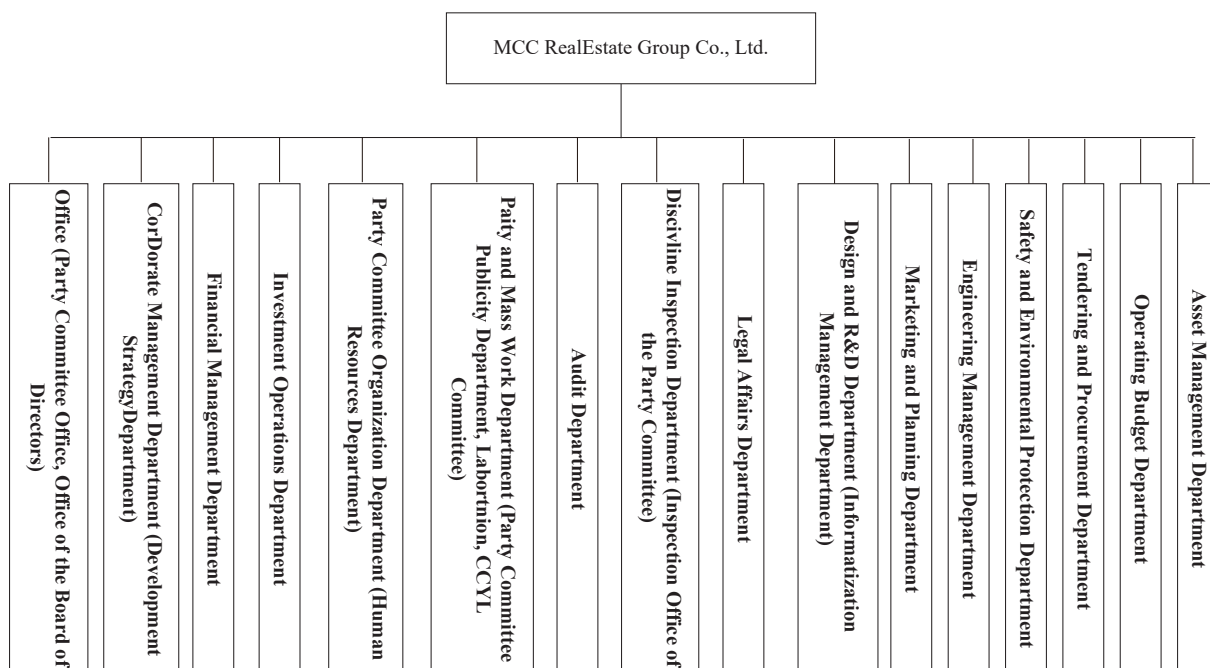
15) Change in Registered Capital in 2024

On December 25, 2024, China MCC increased the company's paid-in capital by converting a loan into capital. After the increase, the company's paid-in capital rose from RMB5,000,000,000.00 to RMB10,000,000,000.00, and the registered capital increased from RMB5,000,000,000.00 to RMB10,000,000,000.00.

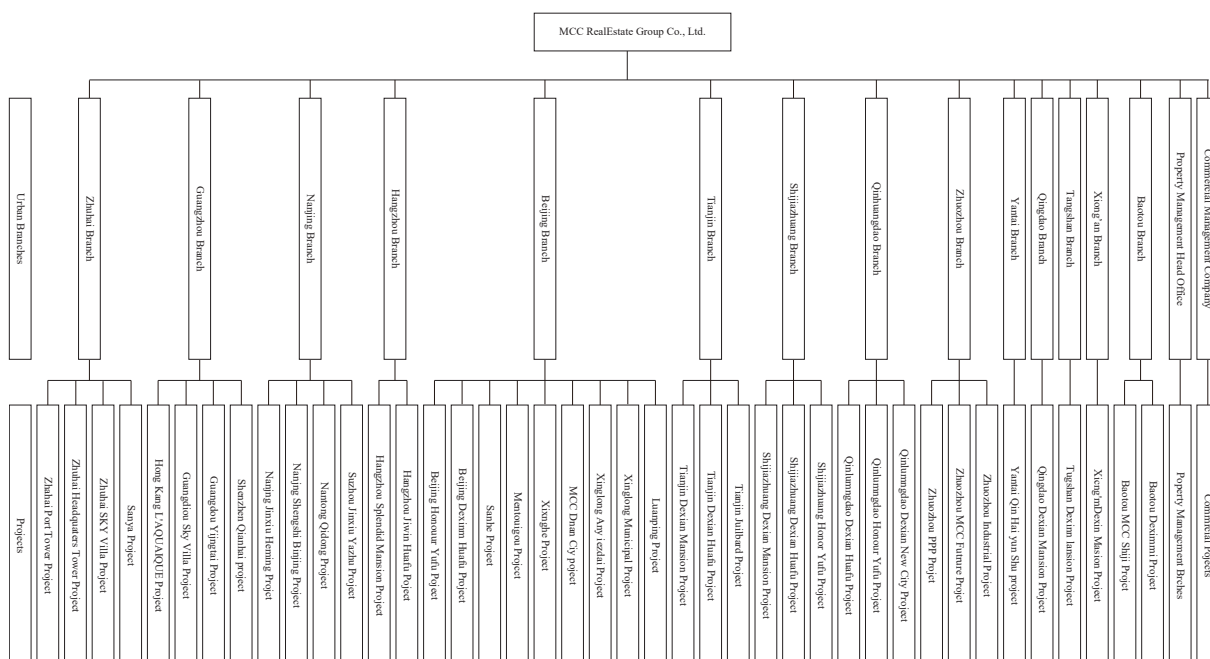
Except for the above-mentioned changes in equity, as of the valuation date of July 31, 2025, the shareholding structure of MCC Real Estate has not changed.

4. Organizational Structure of the Evaluated Entity

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



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



5. *Primary Operating Conditions as of the Valuation Date and the Previous Three Years*

1) *Company Overview and Main Business*

MCC Real Estate is a key subsidiary of China Minmetals, a core enterprise in MCC's real estate segment, and one of the first 16 central enterprises recognized by the State-owned Assets Supervision and Administration Commission of the State Council as primarily engaged in real estate. It holds two national first-class qualifications in real estate development and property management. The company's registered capital has reached RMB10 billion, with total assets approaching RMB100 billion, and its long-term credit rating has remained at AAA for nine consecutive years.

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

2) *Financial and Operating Conditions on a Consolidated Basis*

According to the audited financial statements, as of the valuation date, the book value of total assets of MCC Real Estate on a consolidated basis was RMB57.063693 billion, the book value of total liabilities was RMB73.3392018 billion, and the book value of owners' interests was RMB-16.2755088 billion. From January to July 2025, the company achieved operating revenue of RMB2.9723228 billion and a net profit of RMB -25.4384242 billion.

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

Monetary Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	9,319,388.26	9,230,754.88	8,458,493.07	5,706,369.30
Total Liabilities	8,059,355.20	8,279,854.83	7,533,472.20	7,333,920.18
Owners' Interests	1,260,033.06	950,900.05	925,020.87	-1,627,550.88

Item	2022	2023	2024	January-July 2025
Operating Revenue	1,628,948.95	874,754.39	734,369.80	297,232.28
Operating Profit	11,593.63	-299,745.24	-504,238.67	-2,534,039.45
Total Profit	22,035.68	-299,571.28	-499,660.72	-2,549,237.79
Net Profit	864.73	-302,206.42	-485,575.37	-2,543,842.42

Audit Firm	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)

Report	XKSB Zi [2023]	XKSB Zi [2024]	XKSB Zi [2025]	TZY Zi [2025]

Document No.	No. ZB20850	No. ZB20459	No. ZB22880	No. 40666

Audit Opinions	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

3) *Financial and Operating Conditions on a Parent Company Basis*

According to the audited financial statements, as of the valuation date, the book value of total assets of MCC Real Estate on a parent company basis was RMB64,966,836,300, the book value of total liabilities was RMB59,355,825,300, and the book value of owners' interests was RMB5,611,011,100. From January to July 2025, the company recorded operating revenue of RMB -16,675,200 and a net profit of RMB -2,405,245,600.

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

Monetary Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	6,686,089.81	6,914,832.25	7,028,020.58	6,196,683.63
Total Liabilities	6,398,779.41	6,621,016.86	6,226,395.11	5,935,582.53
Owners' Interests	<u>287,310.41</u>	<u>293,815.39</u>	<u>801,625.47</u>	<u>561,101.10</u>

Item	2022	2023	2024	January-July 2025
Operating Revenue	17,546.28	4,354.25	3,701.38	-1,667.52
Operating Profit	2,548.29	6,499.66	7,798.13	-240,521.41
Total Profit	2,560.56	6,504.98	7,810.29	-240,524.56
Net Profit	<u>2,560.56</u>	<u>6,504.98</u>	<u>7,810.29</u>	<u>-240,524.56</u>

Audit Firm	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	BDO China Shu Lun Pan CPAs (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)

Report	XKSB Zi [2023]	XKSB Zi [2024]	XKSB Zi [2025]	TZY Zi [2025]
Document No.	No. ZB20849	No. ZB20563	No. ZB22628	No. 40666

Audit Opinions	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

2. Receivables mainly consist of internal loan principal, interest, and dividends receivable by MCC from MCC Real Estate. As of the valuation date, the book value of the receivables was RMB46,163,792,600.

(III) Use of Expert Work

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

IV. BASES OF VALUE AND DEFINITIONS

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

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

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

V. VALUATION DATE

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

The reasons for selecting this valuation date are:

1. Valuation date meets the requirements of the relevant economic activity and facilitates the achievement of the valuation purpose.
2. This valuation date coincides with the accounting month-end statement of the title-holding entity and the balance sheet date in the audit report, which allows the valuation institution to fully utilize the enterprise's existing financial data, aiding the completion of the valuation.

VI. VALUATION BASES

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

(I) Economic Behavior Basis

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

(II) Law and Regulation Bases

1. *Assets Appraisal Law of the People's Republic of China* (promulgated by Decree No. 46 of the President of the People's Republic of China, effective from December 1, 2016);
2. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);
3. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);
4. *Securities Law of the People's Republic of China* (approved on December 29, 1998, by the 6th Session of the Standing Committee of the 9th National People's Congress; amended on December 28, 2019, by the 15th Session of the Standing Committee of the 13th National People's Congress);
5. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);
6. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);
7. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 732 of the State Council of the People's Republic of China, amended on November 29, 2020);
8. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

9. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);
10. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);
11. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);
12. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);
13. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);
14. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);
15. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);
16. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);
17. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);
18. *Measures for the Supervision and Administration of State-owned Equities of Listed Companies* (Order No. 36 of the State-owned Assets Supervision and Administration Commission of the State Council, the Ministry of Finance and the CSRC, May 16, 2018);

19. *Urban Real Estate Administration Law of the People's Republic of China* (approved on July 5, 1994, by the 8th Session of the Standing Committee of the 8th National People's Congress; approved on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People's Congress);
20. *Land Administration Law of the People's Republic of China* (approved on June 25, 1986, by the 16th Session of the Standing Committee of the 6th National People's Congress; amended on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People's Congress);
21. *Regulation on the Implementation of the Land Administration Law of the People's Republic of China* (approved at the 12th executive meeting of the State Council on December 24, 1998, underwent the second revision on July 29, 2014, and underwent the third revision as per Decree No. 743 of the State Council of the People's Republic of China on July 2, 2021);
22. *Regulations for Gradation and Classification on Urban Land* (GB/T18507–2014);
23. *Current Land Use Classification* (GB/T21010–2017);
24. *Interim Regulations of the People's Republic of China Concerning the Assignment and Transfer of the Right to the Use of the State-owned Land in the Urban Areas* (released and implemented on May 19, 1990 as per Decree No. 55 of the State Council, and amended on November 29, 2020 as per the Order No. 732 of the State Council);
25. *Notice on Optimizing Matters Related to the Administration of Central SOE Asset Appraisals* (GZFCQG No. [2024] 8);
26. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);
27. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);
28. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);

29. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);
30. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);
31. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);
32. *Notice on Adjusting Value-added Tax Rates* (CS [2018] No. 32);
33. *Rules for the Implementation of the Interim Regulations of the People's Republic of China on Land Value-added Tax* (CF Zi [1995] No. 6);
34. *The Vehicle Purchase Tax Law of the People's Republic of China* (Adopted at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018).
35. *Deed Tax Law of the People's Republic of China* (approved at the 21st Session of the Standing Committee of the 13th National People's Congress on August 11, 2020);
36. *Accounting Standards for Business Enterprises* and other related accounting systems;
37. Other relevant laws, regulations, notices, and documents.

(III) Basis of Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);
2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);
3. *Practice Standards for Assets Valuation – Asset Valuation Procedures* (ZPX [2018] No. 36);
4. *Practice Standards for Assets Valuation – Asset Valuation Report* (ZPX [2018] No. 35);

5. *Practice Standards for Assets Valuation – Assets Valuation Method* (ZPX [2019] No. 35);
6. *Practice Standards for Assets Valuation – Asset Valuation Engagement Contract* (ZPX [2017] No. 33);
7. *Practice Standards for Assets Valuation – Assets Valuation File* (ZPX [2018] No. 37);
8. *Practice Standards for Assets Valuation – Use of Expert Work and Relevant Reports* (ZPX [2017] No. 35);
9. *Practice Standards for Assets Valuation – Enterprise Value* (ZPX [2018] No. 38);
10. *Practice Standards for Assets Valuation – Intangible Assets* (ZPX [2017] No. 37);
11. *Practice Standards for Assets Valuation – Property* (ZPX [2017] No. 38);
12. *Practice Standards for Assets Valuation – Machinery and Equipment* (ZPX [2017] No. 39);
13. *Guidelines for Asset Valuation Reports on State-Owned Enterprises* (ZPX [2017] No. 42);
14. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);
15. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);
16. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);

(IV) Basis of Asset Ownership

1. Business License for Enterprise Legal Person;
2. Proof of shareholding, articles of association, or agreements;
3. People's Republic of China state-owned enterprise asset ownership registration certificate;
4. Construction land planning permit, construction engineering planning permit, construction permit;

5. Leasing contracts for right-of-use assets;
6. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);
7. Major asset purchase contracts or vouchers;
8. Property Ownership Certificates;
9. Real estate ownership certificate (or property ownership certificate);
10. State-owned land use certificate;
11. State-owned land use right transfer contract;
12. Motor vehicle registration certificate;
13. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. Asset inventory and valuation declaration forms provided by the enterprise;
2. Audit report for historical annual accounts of MCC Real Estate;
3. National macro-economic, industry, regional market, and enterprise statistical analysis data;
4. Financial statements and detailed financial ledgers of the valuation date and the previous 3 years;
5. Materials related to financial management, production and operation, and market sales provided by the enterprise;
6. Enterprise revenue, cost, expense analysis, and forecasting materials;
7. The enterprise's fixed asset depreciation method;

8. Enterprise development plans, investment projects, and data on required funds for future years;
9. The enterprise's financial accounting system;
10. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;
11. Selected contracts and agreements provided by the enterprise;
12. Data analyzing the enterprise's industry position and market competition;
13. Current national and local tax policies and regulations;
14. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;
15. Relevant data on A-share listed companies provided by the iFind software;
16. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;
17. *Provisions on Compulsory Retirement Standards for Motor Vehicles* (Decree No. 12 of jointly issued by the Ministry of Commerce, National Development and Reform Commission, Ministry of Public Security, and Ministry of Environmental Protection);
18. Recent issues of the *UDC United Market Information* and the *Automobile Business Information* near the valuation date;
19. Relevant financial data and engineering materials provided by the enterprise;
20. Notice on the *Financial Rules for Capital Construction* (Promulgated by the Decree No. 81 of the Ministry of Finance and implemented from September 1, 2016);
21. Current cost norms for building construction, installation engineering, decoration engineering, municipal engineering, and other related norms in the region where the buildings are located;
22. Standards for *Building Damage Level Assessment, Reference Basis for Assessing the Newness or Oldness of a House*", and *Grading Criteria and Adjustment Factors for Building Newness Rates* issued by the former Ministry of Urban and Rural Environmental Construction and Protection;

23. *Local Construction Engineering Cost Information*;
24. Relevant cost indexes and similar engineering cost indicators;
25. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;
26. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. *Special Audit Report on the Entire Equity and Claims of MCC Real Estate Group Co., Ltd. Held by Metallurgical Corporation of China Ltd.* (Report No.: TZY [2025] No. 43775) issued by Baker Tilly China Certified Public Accountants (Special General Partnership)
2. *Standard Unqualified Audit Report on MCC Real Estate Group Co., Ltd.* (Report No.: TZY Zi [2025] No. 40666) issued by Baker Tilly China Certified Public Accountants (Special General Partnership)
3. *Handbook of Common Asset Valuation Methods and Parameters*;
4. Important contracts for surveys, design, engineering, and other business provided by the enterprise;
5. Market research data collected by the asset valuation professionals;
6. Relevant materials from on-site inspections and inquiries/confirmations conducted by the asset valuation professionals;
7. *Guidelines for Asset Valuation Expert No. 8 – Verification and Validation during Asset Valuation* (ZPX [2019] No. 39);
8. *Guidelines for Asset Valuation Expert No. 12 – Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);
9. Relevant materials provided by the enterprise's related departments and personnel;
10. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant reference materials collected by the asset valuation institution.

VII. VALUATION METHOD

(I) Selection of Valuation Method

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

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

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

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

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

VIII. APPLICATION OF SPECIFIC VALUATION METHOD FOR VARIOUS ASSETS UNDER THE ASSET-BASED APPROACH

(I) Valuation of Long-Term Equity Investments

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

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

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

For long-term equity investments with a negative valuation value, based on the relevant provisions of the Company Law and other regulations, the management's holding plans for the investment entities were reviewed, and the following method was used to determine the valuation value: (1) If the invested entity is assumed to continue operating, and MCC Real Estate undertakes the liabilities of the title-holding entity under the "debt assumption" or "full responsibility" scenario, the valuation value was set to the determined negative value after evaluation. (2) If liability for the subsidiary's debts is limited to the amount of the capital contribution, and MCC Real Estate has fully contributed its capital to the invested enterprise, the valuation value is set to RMB0.

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

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

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

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

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

(I) Valuation of Claims

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

IX. IMPLEMENTATION PROCESS AND SITUATION OF THE VALUATION PROCEDURES

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

(I) Clarification of Basic Matters of the Valuation Engagement

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

(II) Signing the Asset Valuation Engagement Contract

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

(III) Preparation of the Valuation Plan

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

(IV) On-site Investigation

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

1. Requesting the Client and the Title-holding Entity to provide detailed information concerning the valuation object and scope;
2. Requiring the Client or the Title-holding Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;
3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.
4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

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

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

2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;
3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, and recheck.
4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation

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

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.
2. The preliminary results obtained using the asset-based approach were compared, analysed, supplemented, adjusted, and refined. Based on a comprehensive analysis of the factors affecting value, the final appraisal conclusion of this asset valuation was determined.

(VIII) Preparation and Submission of the Valuation Report

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

X. VALUATION ASSUMPTIONS**(I) General Assumptions**

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuation professionals estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open Market Assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.
3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.

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

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. The real estate development project under MCC Real Estate is based on a finite-term business premise. This is a valuation assumption applied to the enterprise as a whole asset. It posits that as an operation entity, the enterprise will continue to operate under its current objectives and external environment without initiating new real estate projects, and will liquidate and cease operations upon completion of its existing real estate project portfolio.
3. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
4. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
5. It is assumed that the various business-related licenses and qualifications of the Title-holding Entity will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
6. It is assumed that the Title-holding Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.

7. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.
8. It is assumed that the accounting policies adopted by the Title-holding Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
9. It is assumed that, after the valuation date, the business scope and mode of the Title-holding Entity will remain consistent with the current status, based on the existing management methods and management levels.
10. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
11. It is assumed that all foundational information and financial data provided by the Title-holding Entity are true, accurate, and complete.
12. The valuation scope is based on the range of assets provided by the Title-holding Entity. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.
2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

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

XI. VALUATION CONCLUSION

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

(I) Valuation Results Using the Asset-based Approach

According to the asset-based approach, as of the valuation date, the book value of the asset package formed by the equity and claims of MCC Real Estate held by MCC was RMB56,978,310,700, while the appraised value was RMB31,236,589,800. The impairment amounted to RMB25,741,720,900, representing an impairment rate of 45.18%. Details are presented in the summary table of appraisal results:

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB10,000

Item		Book Value A	Valuation Value B	Appreciation/ Depreciation C=B-A	Appreciation/ Depreciation Rate % D=C/A × 100%
Total Current Assets	1	4,616,379.26	4,616,379.26	–	–
Total Non-Current Assets	2	1,081,451.81	-1,492,720.28	-2,574,172.09	-238.03
Including: Long-term Equity Investments	3	1,081,451.81	-1,492,720.28	-2,574,172.09	-238.03
Investment Properties	4	–	–	–	–
Fixed Assets	5	–	–	–	–
Construction in Progress	6	–	–	–	–
Intangible Assets	7	–	–	–	–
Including: Intangible Assets – Land Use Rights	8	–	–	–	–
Subtotal of Other Non-Current Assets	9	–	–	–	–
Total Assets	10	5,697,831.07	3,123,658.98	-2,574,172.09	-45.18
Current Liabilities	11	–	–	–	–
Non-Current Liabilities	12	–	–	–	–
Total Liabilities	13	–	–	–	–
Owner's Equity (or Shareholders' Equity)	14	5,697,831.07	3,123,658.98	-2,574,172.09	-45.18

(II) Valuation Conclusion

As of the valuation date, July 31, 2025, the appraised value of the asset package formed by the entire equity interest and claims of MCC Real Estate held by MCC was RMB31,236,589,800 (in words: Thirty-one Billion Two Hundred and Thirty-six Million Five Hundred and Eighty-nine Thousand Eight Hundred Yuan Only).

XII. NOTES FOR SPECIAL MATTERS

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

- (I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation value, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.
- (II) This report is based on information required for the valuation provided by MCC and MCC Real Estate, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.
- (III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional valuation opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.
- (IV) Citation of Conclusions of Reports Issued by Other Institutions

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

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

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

- (VI) Notes on of Incomplete Valuation Data

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

- (VII) Other Key Information Not Provided by the Client

None.

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

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

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

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
7	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	ICBC Baotou Qingshan Sub- branch	Baotou Dexian Project	53,758,241.33	53,758,241.33		2021/4/28	
8	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Industrial Bank Co., Ltd. Baotou Branch	Baotou Dexian Project	14,844,262.68	14,844,262.68		2021/5/10	
9	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Agricultural Bank of China Baotou Jiuyuan Sub- branch	Baotou Dexian Project	2,085,484.51	2,085,484.51		2021/12/9	
10	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Bohai Bank Baotou Branch	Baotou Dexian Project	2,010,288.31	2,010,288.31		2022/8/30	
11	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	China Everbright Bank Baotou Branch	Baotou Dexian Project	24,499,503.65	24,499,503.65		2022/9/27	
12	MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd.	Bank of Communications Baotou Branch	Baotou Dexian Project	36,571,624.35	36,571,624.35		2023/2/16	
13	Beijing MCC Mingding Real Estate Development Co., Ltd.	Huaxia Bank Beijing Chegongzhuang Sub-branch	Mingding Project	19,041,451.24	19,041,451.24	19,041,451.24	2022/7/1	2025/12/31

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
14	Beijing MCC Mingding Real Estate Development Co., Ltd.	Agricultural Bank of China Chaoyang Sub- branch	Mingding Project	15,111,617.33	15,111,617.33	15,111,617.33	2022/7/1	2025/12/31
15	Beijing MCC Mingding Real Estate Development Co., Ltd.	ICBC Guang'anmen Sub-branch	Mingding Project	483,891.22	483,891.22	483,891.22	2022/7/1	2025/12/31
16	Beijing MCC Mingding Real Estate Development Co., Ltd.	CCB Ditan Sub- branch	Mingding Project	70,659,555.58	70,659,555.58	70,659,555.58	2022/7/1	2025/12/31
17	Beijing MCC Mingding Real Estate Development Co., Ltd.	Beijing Rural Commercial Bank Co., Ltd. Dongcheng Sub- branch	Mingding Project	3,130,389.17	3,130,389.17	3,130,389.17	2022/7/1	2025/12/31
18	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Minsheng Bank Co., Ltd. Beijing Branch	Mingding Project	–	–	–	2022/7/1	2025/12/31
19	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Zheshang Bank Co., Ltd. Beijing Branch	Mingding Project	3,104,913.96	3,104,913.96	3,104,913.96	2022/7/1	2025/12/31
20	Beijing MCC Mingding Real Estate Development Co., Ltd.	Industrial Bank Co., Ltd. Beijing Branch	Mingding Project	648,000.00	648,000.00	648,000.00	2022/7/1	2025/12/31
21	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Everbright Bank Hepingli Sub-branch	Mingding Project	9,420,365.56	9,420,365.56	9,420,365.56	2022/7/1	2025/12/31
22	Beijing MCC Mingding Real Estate Development Co., Ltd.	Bank of China Co., Ltd. Beijing Chongwen Sub- branch	Mingding Project	15,471,752.83	15,471,752.83	15,471,752.83	2022/7/1	2025/12/31

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
23	Beijing MCC Mingding Real Estate Development Co., Ltd.	China Merchants Bank Co., Ltd. Beijing Branch	Mingding Project	9,331,092.00	9,331,092.00	9,331,092.00	2022/7/1	2025/12/31
24	Beijing MCC Mingding Real Estate Development Co., Ltd.	China CITIC Bank Co., Ltd. Beijing Branch	Mingding Project	16,370,279.13	16,370,279.13	16,370,279.13	2022/7/1	2025/12/31
25	Beijing MCC Mingding Real Estate Development Co., Ltd.	Postal Savings Bank of China Co., Ltd. Beijing Chaoyang District Sub- branch	Mingding Project	24,769,867.17	24,769,867.17	24,769,867.17	2022/7/1	2025/12/31
26	Beijing MCC Mingding Real Estate Development Co., Ltd.	Bank of Beijing Co., Ltd. Lucheng Sub-branch	Mingding Project	5,506,197.27	5,506,197.27	5,506,197.27	2022/7/1	2025/12/31
27	Beijing MCC Mingding Real Estate Development Co., Ltd.	Shanghai Pudong Development Bank Co., Ltd. Beijing Branch	Mingding Project	60,960,676.38	60,960,676.38	60,960,676.38	2022/7/1	2025/12/31
28	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd.	Xiongan MCC Dexian Residence	1,000,000.00	1,000,000.00		2024/12/30	Until the date when the property mortgage registration certificate corresponding to the housing provident fund loan is completed.

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

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
34	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Bank of China Baotou Qingnian Road Sub-branch	Baotou MCC Shijia	51,124,621.32	51,124,621.32		2015/5/25	
35	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	China Postal Savings Bank Baotou Development Zone Zhaotan East Road Sub- branch	Baotou MCC Shijia	70,797,291.04	70,797,291.04		2012/11/1	
36	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	China CITIC Bank Baotou Zhonghuan Sub- branch	Baotou MCC Shijia	1,302,172.57	1,302,172.57		2015/7/25	
37	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	China Construction Bank Baotou Fengying Sub- branch	Baotou MCC Shijia	2,100,602.72	2,100,602.72		2019/1/1	
38	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Baotou Steel Housing Provident Fund Management Center	Baotou MCC Shijia	16,510,000.00	16,510,000.00		2012/11/1	
39	Baotou Zhongye Zhengsheng Real Estate Co., Ltd.	Hohhot Housing Provident Fund Management Center Railway Sub-center	Baotou MCC Shijia	4,373,264.04	4,373,264.04		2014/9/1	
40	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	8,714.64	8,714.64		2021/6/22	
41	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	14,669.92	14,669.92		2021/6/22	
42	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	3,949.56	3,949.56		2021/6/22	

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
43	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	5,358.15	5,358.15		2021/6/22	
44	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	835.58	835.58		2021/6/22	
45	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	5,352.12	5,352.12		2021/6/22	
46	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	5,497.60	5,497.60		2021/6/22	
47	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	3,943.46	3,943.46		2021/6/22	
48	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	7,535.84	7,535.84		2021/6/22	
49	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd.	MCC Mingyuan Project, MCC Mingcheng Project	1,671.09	1,671.09		2021/6/22	
50	Shijiazhuang MCC Mingsheng Real Estate Development Co., Ltd.	Shijiazhuang MCC Mingsheng Real Estate Development Co., Ltd.	Shijiazhuang MCC Dexian Huafu Project	510,689,500.50	510,689,500.50	3,674,729,244.00	2019/10/12	2027/10/6
51	Hebei MCC Mingrun Real Estate Development Co., Ltd.	Hebei MCC Mingrun Real Estate Development Co., Ltd.	Shijiazhuang MCC Dexian Mansion Project	334,641,686.13	334,641,686.13	6,571,405,462.00	2016/9/21	2026/6/30

APPENDIX V-A
VALUATION REPORT OF MCC REAL ESTATE

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
52	Nanjing MCC Minghan Real Estate Co., Ltd.	Nanjing MCC Minghan Real Estate Co., Ltd.	Plot No.2021G35 Project, Banqiao New Town, Yuhuatai District, Nanjing City	96,000.00	86,288.00	–	2025/1/21	2028/1/21
53	Qinhuangdao Jiajun Real Estate Development Co., Ltd.	Qinhuangdao Jiajun Real Estate Development Co., Ltd.	Dexian Mansion/ Dexian Huafu/ Dexian Yufu	1,416,171,000.00	211,771,542.32	3,908,365,955.00	2018/8/1	2027/12/31
54	Qinhuangdao Yunding Real Estate Development Co., Ltd.	Qinhuangdao Yunding Real Estate Development Co., Ltd.	Dexian New City – Area I	123,819,000.00	88,495,990.56	521,894,256.00	2023/11/1	2027/12/31
55	Shijiazhuang MCC Mingguan Real Estate Development Co., Ltd.	Shijiazhuang MCC Mingguan Real Estate Development Co., Ltd.	Shijiazhuang MCC Dexian Yufu	56,241.00	56,241.00	195,540.00	2021/10/15	2028/2/15
56	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Agricultural Bank of China Tangshan Longze Road Sub-branch	MCC Dexian Mansion	36,410,000.00	28,237,742.81			
57	Tangshan MCC Minghe Real Estate Development Co., Ltd.	China Postal Savings Bank Tangshan Shangzuo Sub- branch	MCC Dexian Mansion	49,020,000.00	41,400,854.47			
58	Tangshan MCC Minghe Real Estate Development Co., Ltd.	China Construction Bank Tangshan Weiguo Road Sub-branch	MCC Dexian Mansion	5,120,000.00	4,906,691.85			
59	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Bank of China Tangshan Plaza Sub-branch	MCC Dexian Mansion	13,170,000.00	12,697,694.24			
60	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Industrial and Commercial Bank of China Tangshan Jianbei Sub-branch	MCC Dexian Mansion	159,485,000.00	124,128,864.29			

Mortgage Loan
Disbursement
Date

Until the
other rights
certificate is
completed

S/N	Evaluated Entity	Organization Name	Real Estate Development Project	Mortgage Guarantee Amount	Outstanding Mortgage Guarantee Balance	Total Project Sales Amount	Guarantee Commencement Date	Guarantee Expiry Date
61	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Housing Provident Fund	MCC Dexian Mansion	82,895,000.00	69,109,496.80			
62	Tangshan MCC Minghe Real Estate Development Co., Ltd.	Bank of Communications	MCC Dexian Mansion	3,820,000.00	1,107,716.11			
63	Yantai MCC Real Estate Co., Ltd.	Yantai MCC Real Estate Co., Ltd.	Qin Hai Yun Shu	10,558.00	10,558.00	209,538.00	2022/1/1	From the Date the Bank Obtains the Original Mortgage Registration Certificate

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

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

MCC Real Estate and its subsidiary project company Nanjing Linjiang entered into a maximum-amount mortgage contract with Agricultural Bank of China Limited Nanjing Chengbei Sub-branch, to guarantee a maximum debt balance of RMB Nine Hundred Twenty-eight Million Five Hundred Twenty Thousand Only. The list of mortgaged properties is shown in the table below:

Location	Plot No. 3 (01-08 Plot), West of Jiangbian Road, Gulou District	Property Unit No.	320106012003GB00261W00000000
Property Right No.	S (2019) NGBDCQ No. 0040619	Type of Right	State-owned construction land use right
Term of Use	Commercial Service Land: from March 25, 2015, to March 24, 2055; Business Office Land: from March 25, 2015, to June 24, 2055; Urban Residential Land (Serviced Apartment): from March 25, 2015, to March 24, 2080	Nature of Right	Transfer
Purpose	Mixed Use: Commercial service land, business office land, urban residential land (serviced apartment)	Parcel Area	6,016.63 square meters
Appraised Value of RMB402,720,000.00 the Mortgaged Real Estate for This Mortgage			
Location	Plot No. 3 (01-09 Plot), West of Jiangbian Road, Gulou District	Property Unit No.	320106012003GB00223W00000000
Property Right No.	S (2019) NGBDCQ No. 0040503	Type of Right	State-owned construction land use right
Term of Use	Commercial Service Land: from March 25, 2015, to March 24, 2055; Business Office Land: from March 25, 2015, to June 24, 2055; Urban Residential Land (Serviced Apartment): from March 25, 2015, to March 24, 2080	Nature of Right	Transfer
Purpose	Mixed Use: Commercial service land, business office land, urban residential land (serviced apartment)	Parcel Area	11,140.85 square meters
Appraised Value of RMB525,800,000.00 the Mortgaged Real Estate for This Mortgage			

- (2) *Qingdao MCC Minghua Development Co., Ltd. (hereinafter referred to as “Qingdao Minghua”)*

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

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

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

On December 19, 2023, Qingdao Minghua signed a maximum-amount mortgage contract with the lender, Contract No.: ZGD2023-190, with a mortgage term from December 19, 2023, to December 31, 2025. The maximum liability under the maximum-amount mortgage is RMB Nine Hundred and Fifty-five Million Eight Hundred and Eighty-nine Thousand Four Hundred Only. The mortgaged property is Qingdao Minghua's construction-in-progress project, with real estate certificate number L (2023) QDSJMQ BDCQ No. 0003708, covering an area of 140,186.24 square meters. The mortgaged property is located at No. 333, Hongyanhe 1st Road, Jimo District, Qingdao City, among other locations.

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

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

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

Monetary Unit: RMB

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

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

(IX) Description of Lease Arrangements

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

Serial Number	Lessee	Lessor	Lease Details	Lease Term	Rent (RMB)
1	MCC Real Estate	Beijing Haike Real Estate Development Co., Ltd.	29th and 30th Floors, Office Building, Jin'ao International Tower, No. 17 Madian East Road, Haidian District, Beijing, 4,816.76 square meters.	20 years, from January 1, 2016 to December 31, 2036	RMB90 per square meter per month.
2	MCC Real Estate	Beijing Haike Real Estate Development Co., Ltd.	Basement Canteen & Archive Room, Jin'ao International Tower, No. 17 Madian East Road, Haidian District, Beijing, 865.5 square meters.	20 years, from January 1, 2016 to December 31, 2036	RMB90 per square meter per month.
3	MCC Real Estate	Beijing Haike Real Estate Development Co., Ltd.	Seventeen Underground Parking Spaces, Office Building, Jin'ao International Tower, No. 17 Madian East Road, Haidian District, Beijing	20 years, from January 1, 2016 to December 31, 2036	RMB800 per space per month.

(X) Other Matters to Be Explained**1. *Explanation of Losses Related to MCC's Claims against MCC Real Estate***

The equity and debt asset package proposed for transfer consists of the equity and claims held by MCC in its wholly-owned subsidiary. The claims primarily arose from project investment funds injected by MCC into the real estate development project companies under MCC Real Estate. As the appraised value of MCC's equity interest in MCC Real Estate is negative RMB14.927 billion, the asset package is to be transferred as a whole. The corresponding claims, amounting to approximately RMB14.927 billion, are used to offset the investment losses arising from MCC's equity investment in MCC Real Estate.

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

On June 15, 2023, the minority shareholder of MCC Real Estate and its subsidiary project company MCC Yantai. – Yantai Jinlan Investment Co., Ltd. – filed a complaint with the Muping District People's Court of Yantai City, requesting a ruling that MCC Yantai repurchase Jinlan's 49% equity interest. The grounds cited included MCC Yantai's failure to distribute profits despite eight consecutive years of profitability, the unauthorized establishment of Yantai Yuanpei and an investment of RMB180 million in educational construction without a shareholders' resolution. Jinlan also applied for pre-litigation property preservation. In December 2023, the first-instance judgment ordered MCC Yantai to pay Yantai Jinlan Investment Co., Ltd. the acquisition payment of RMB214,387,976 for the repurchase of Jinlan Investment's 49% equity in MCC Yantai. After MCC Yantai filed an appeal, on July 9, 2024, the Intermediate People's Court of Yantai City, Shandong Province, upheld the original judgment in the second instance. The case is currently in the protest stage and has been accepted by the Yantai People's Procuratorate. The Supreme People's Court is facilitating settlement negotiations between the parties regarding enforcement.

Pursuant to Civil Judgment No. 2852 (2024) of Lu 06 Min Zhong, the defendant, Yantai Zhongye, is obliged to pay RMB120 million to the plaintiff, Yantai Jinlan Investment Co., Ltd., for the acquisition of its 49% equity interest in Yantai Zhongye. While the audit firm has recognized this obligation in Yantai Zhongye's books, the industrial and commercial registration for the 49% equity transfer had not been completed as of the valuation date. Consequently, for the purpose of this valuation, the long-term equity investment in Yantai Zhongye was still calculated based on a 51% shareholding. The assessed 100% equity value of Yantai Zhongye as of the valuation date was RMB -1,106.5314 million. The impact of acquiring the 49% equity interest was not considered in this valuation.

- (XI) The future profit forecasts involved in this valuation are based on projections prepared by the management of MCC Real Estate and its subsidiary project company and confirmed by MCC Real Estate. MCC Real Estate is responsible for the authenticity, scientific validity, and completeness of the relevant data and information supporting the future profit forecast, as well as for the reasonableness and achievability of the forecast itself. This valuation report has been prepared based on the forecast data and information provided by MCC Real Estate. It is the responsibility of the client and relevant parties to provide the necessary materials and ensure the authenticity, legality, and completeness of the materials provided; the responsibility of the asset valuation professionals is to analyze and estimate the value of the valuation object for the specific purpose at the valuation date and to express professional opinions.
- (XII) The valuation assumptions used in this income approach valuation represent a reasonable prediction of the future operations of the valuation object under current conditions. If various unpredictable and unavoidable factors arise in the future that could affect the fulfillment of these assumptions, the degree to which the profit forecast is achieved may be impacted. The asset valuation professionals hereby remind the client and other relevant parties that we do not guarantee the realization of the aforementioned assumptions, nor do we undertake any obligation to realize or assist in realizing them.
- (XIII) Matters occurring between the valuation date and the asset valuation report date that could potentially impact the valuation conclusion**

None.

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

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

None.

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

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

XIII. RESTRICTIONS ON THE USE OF THE ASSET VALUATION REPORT

- (I)** This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.
- (II)** If the client or other users of this asset valuation report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its valuers shall bear any responsibility.
- (III)** This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- (IV)** Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.

- (V) This report must be signed and sealed by the asset valuation institution, the legal representative of the asset valuation institution, and two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.
- (VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.
- (VII) The validity period for the use of the valuation conclusion in this report is one year from the valuation date, i.e., it is valid for use from July 31, 2025 to June 30, 2026. When the valuation purpose is realized within one year after the valuation date, the valuation conclusion can serve as a reference for this valuation purpose. If it exceeds one year, a new asset valuation must be conducted.

XIV. DATE OF THE ASSET VALUATION REPORT

Date of this report: December 3, 2025.

**Asset Valuation Report
Supplementary Information**

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

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

**SUMMARY OF VALUATION ASSUMPTIONS AND CALCULATION PROCESS OF VALUATION
OF THE SHAREHOLDERS' TOTAL EQUITY VALUE OF MCC REAL ESTATE GROUP CO.,
LTD. VIA THE INCOME APPROACH****I. INTRODUCTION TO THE APPLICATION OF THE INCOME APPROACH**

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

II. BASE OF VALUE AND ITS DEFINITION

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

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

III. VALUATION ASSUMPTIONS OF THE INCOME APPROACH**(I) General Assumptions**

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuation professionals estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open Market Assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.

3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the Evaluated Entity can continue based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of the enterprise will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.

7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. Assume that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. The valuation scope is based on the range of assets provided by the Client. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.
12. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

IV. SPECIFIC FORM OF THE INCOME APPROACH

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

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

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

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

(I) Value of Operating Assets

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

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

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

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

(III) Discount Rate

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

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

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

(IV) Income Period

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

(V) Valuation Calculation Formula for the Income Approach

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

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

Wherein: P – Total equity valuation value of the enterprise’s shareholders;
 Ai – Free Cash Flow to the Firm during the detailed forecast period;
 A – A = Free Cash Flow to the Firm during the perpetual period following the detailed forecast period;
 R – Discount rate;
 n – Detailed forecast period;
 B – Present value of the interest-bearing debt as of the valuation date;
 OE – Present value of the sum of surplus assets, non-operating assets and liabilities as of the valuation date.

V. FORECAST AND ESTIMATION PROCESS OF THE INCOME APPROACH VALUATION

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

(I) Forecast of Operating Income and Costs

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

(II) Forecast of Taxes and Surcharges

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

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

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

(III) Forecast of Sales Expenses

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

(IV) Forecast of Management Expenses

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

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

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

For leasing fees, the forecast is made according to the actual lease contract situation of the enterprise, and a certain increase is considered according to the price level after the expiration of the lease term. For travel expenses, office expenses, etc., the forecast is made by considering the number of personnel and changes in per capita costs; for information technology fees, property water and electricity fees, and other administrative expenses, the forecast is made in combination with the enterprise's 2025 budget and a certain level of growth in subsequent years.

(V) Forecast of Research and Development Expenses

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

(VI) Forecast of Financial Expenses

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

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

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

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

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

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

(VIII) Forecast of Non-operating Income and Expenses

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

(IX) Forecast of Income Tax Expenses

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

(X) Forecast of Depreciation and Amortization

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

(XI) Forecast of Capital Expenditures

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

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

(XII) Forecast of Working Capital

The increase in working capital refers to the additional operating capital that an enterprise needs to invest to maintain normal operations without changing the current operating and production conditions. For example, the basic funds required for maintaining cash for normal operations, the purchase of product inventory, the advance payment for purchases on behalf of clients (receivables), as well as the payable amounts, etc. The increase in working capital refers to the cash occupied by obtaining commercial credit from others, the cash and inventory maintained for normal operations, etc., as the enterprise's business activities change; At the same time, in economic activities, providing commercial credit can reduce the immediate payment of cash accordingly.

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

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

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

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

(XIII) Determination of the Discount Rate

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

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

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

1. Risk-free Rate of Return

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

2. Forecast of the Industry Risk Premium Rate

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

3. Company-specific Risk Premium Rate**(1) Operational Risk Premium Rate**

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

(2) Financial Risk Premium Rate

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

(3) Other Risk Premium Rates

The other risk premium rates mainly consider whether the enterprise's forecast of future income for this valuation is prudent, neutral or optimistic, with a value generally ranging from -1% to 1%. The enterprise's forecast of future income is completely based on its existing assets and operating scale and the forecast is made using a basically fixed income and cost model corresponding to existing contracts. Combined with the actual operating conditions of the enterprise, we believe that the future forecast is a neutral one, so the other risk premium rates are set at 0%.

4. Determination of the Discount Rate

$$\text{Discount rate} = 2.84\% + 1.5\% + 2.0\% + 0.5\% + 0\% = 6.84\%$$

(XIV) Discount Calculation of Free Cash Flow to the Firm**1. Estimation of the Value of Operating Assets**

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

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

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

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

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

2. Non-operating Assets/Surplus Assets

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

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

- (1) Other receivables with a book value of RMB59,218.9987 million, primarily comprising dividends and intercompany balances receivable from subsidiaries, valued at RMB59,218.9987 million using the asset-based approach;
- (2) Long-term equity investments with a book value of RMB5,417.0980 million, representing the long-term equity investment enterprises held by MCC Real Estate, valued at RMB -13,485.2407 million using the asset-based approach. In the valuation of properties under development and completed properties, the valuation model primarily takes the following factors into account to determine the appraisal value:① the estimated salable construction area of various types of properties to be sold during the corresponding sales period for each property project;② the estimated unit sales price of various types of properties in each development project;③ the costs and taxes related to the development and sales of the property projects;④ the discount rate corresponding to each property project.
- (3) Other payables with a book value of RMB53,728.5515 million, primarily consisting of dividends to shareholders and intercompany balances payable, valued at RMB53,728.5515 million using the asset-based approach.

3. *Interest-bearing Debt*

As of the valuation date, the interest-bearing debt of MCC Real Estate's headquarters is RMB5,484.7585 million.

4. *Income Approach Valuation Result*

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

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

Monetary Unit: RMB10,000

Project/Year	August – December						Stabilization	Remarks
	2025	2026	2027	2028	2029	2030	Period	
I. Operating income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (I) Forecast of Operating Revenue and Cost for detailed calculation logic
II. Operating costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Taxes and surcharges	0.54	1.29	1.29	1.29	1.29	1.29	1.29	Refer to V. (II) Forecast of Taxes and Surcharges for detailed calculation logic
Sales expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (III) Forecast of Selling Expenses for detailed calculation logic
Management expenses	7,050.98	17,750.84	16,951.98	15,033.91	13,871.04	13,652.31	13,652.31	Refer to V. (IV) Forecast of Administrative Expenses for detailed calculation logic
R&D expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (V) Forecast of R&D Expenses for detailed calculation logic
Financial expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (VI) Forecast of Financial Expenses for detailed calculation logic
III. Operating Profit	-7,051.51	-17,752.13	-16,953.27	-15,035.19	-13,872.33	-13,653.60	-13,653.60	
IV. Total Profit	-7,051.51	-17,752.13	-16,953.27	-15,035.19	-13,872.33	-13,653.60	-13,653.60	
Minus: Income tax expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (IX) Forecast of Income Tax Expense for detailed calculation logic
V. Net Profit	-7,051.51	-17,752.13	-16,953.27	-15,035.19	-13,872.33	-13,653.60	-13,653.60	
Plus: Depreciation	171.43	411.44	355.55	21.95	57.00	95.00	95.00	Refer to V. (X) Forecast of Depreciation and Amortization for detailed calculation logic
Amortization	355.66	853.58	826.07	636.51	676.51	716.51	716.51	
Minus: Additional working capital investment	-622.25	93.96	-7.40	-25.25	51.07	1.98		Refer to V. (XII) Forecast of Working Capital for detailed calculation logic
Minus: Capital expenses	0.00	0.00	0.00	450.00	450.00	450.00	811.51	Refer to V. (XI) Forecast of Capital Expenditures for detailed calculation logic

Project/Year	August – December					Stabilization		Remarks
	2025	2026	2027	2028	2029	2030	Period	
VI. Free Cash Flow to the Firm	-5,902.17	-16,581.07	-15,764.25	-14,801.48	-13,639.89	-13,294.07	-13,653.60	
1. Annual discount rates	6.84%	6.84%	6.84%	6.84%	6.84%	6.84%	6.84%	Refer to V. (XIII) Determination of Discount Rate for the selection of the discount rate
2. Discount period	0.2083	0.9167	1.9167	2.9167	3.9167	4.9167		
3. Discount factor	0.9863	0.9412	0.8809	0.8245	0.7717	0.7223		
4. Present value of free cash flow	-5,821.38	-15,605.34	-13,886.73	-12,203.88	-10,526.15	-9,602.47	-144,183.72	
5. Cumulative present value of free cash flow	-5,821.38	-21,426.71	-35,313.44	-47,517.33	-58,043.48	-67,645.95	-211,829.67	
6. Discounted value of free cash flow to the firm		-211,829.67	7. Plus: Enterprise redundant and non-operating assets				-732,414.76	
8. Interest-bearing liabilities		548,475.85	9. Total equity value of the enterprise's shareholders				-1,492,720.28	

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

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

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

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

Asset Valuation Report

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

ZSZYPB [2025] No. 010155

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

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

STATEMENT

- I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.
- II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.
- III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.
- VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.
- VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.
- VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

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

ZSZYPB [2025] No. 010155

SUMMARY

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

- I. Valuation Purpose:** According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), the entire equity interest of China Non-ferrous Engineering Co., Ltd. involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd. is required to be valued. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to value the market value of the total equity interest of China Non-ferrous Engineering Co., Ltd. involved in the aforementioned economic behavior, to serve as a value reference for this economic behavior.
- II. Valuation Object and Scope:** The valuation object is the total equity value of the shareholders of China Non-ferrous Engineering Co., Ltd. The valuation scope covers all assets and liabilities of China Non-ferrous Engineering Co., Ltd. As of the valuation date, July 31, 2025, the company's total assets had a book value of RMB5,741.8096 million, total liabilities had a book value of RMB1,087.9743 million, and net assets had a book value of RMB4,653.8352 million.
- III. Base of Value:** The base of value for the conclusion in this Asset Valuation Report is market value.
- IV. Valuation Date:** July 31, 2025.
- V. Valuation Method:** Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the asset-based approach.

- VI. Valuation Conclusion:** The valuation determined that as of the valuation date, July 31, 2025, the assessed market value of the shareholders' total equity valuation value of China Non-ferrous Engineering Co., Ltd. was RMB10,495.5790 million. In words: RMB Ten Billion Four Hundred and Ninety-five Million Five Hundred and Seventy-nine Thousand. The appraisal concluded that, compared with the parent company's book equity of RMB4,653.8352 million as of the valuation date, the appraised value increased by RMB5,841.7438 million, representing an appreciation rate of 125.53%.
- VII. Validity Period of the Valuation Conclusion:** According to relevant regulations, the valid usage period of the evaluation conclusion in this report is one year, specifically from July 31, 2025 to July 30, 2026.
- VIII. Special Matters Affecting the Valuation Conclusion:** When using this valuation conclusion, users of this Valuation Report are advised to note the valuation assumptions, limiting conditions, and special matters set forth in the main text of the Report, as well as their impact on the valuation conclusion, and to give them full consideration.

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

Asset Valuation Report

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

ZSZYPB [2025] No. 010155

TEXT

TO METALLURGICAL CORPORATION OF CHINA LTD.,

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

The asset valuation condition is now reported as follows:

I. GENERAL INFORMATION ON THE CLIENT, THE EVALUATED ENTITY, AND OTHER USERS OF THE ASSET VALUATION REPORT AS STIPULATED IN THE ASSET VALUATION ENGAGEMENT CONTRACT

(I) Overview of the Client

Company Name:	Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")
Unified Social Credit Code:	91110000710935716X
Registered Address:	No. 28 Shuguang Xili, Chaoyang District, Beijing
Legal Representative:	Chen Jianguang
Registered Capital:	RMB20,723,619,170
Enterprise Type:	Joint Stock Limited Company (Listed, State-Controlled)
Date of Establishment:	December 1, 2008
Business Term:	December 1, 2008 to No Fixed Term

Business Scope:

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

(II) Overview of the Evaluated Entity**1. Basic Information of the Enterprise**

Company Name:	China Non-ferrous Engineering Co., Ltd. (hereinafter referred to as China Non-ferrous Engineering)
Unified Social Credit Code:	91110000102047272G
Registered Address:	No. 12, Fuxing Road, Haidian District, Beijing
Type:	State-owned limited liability company
Registered Capital:	RMB Two Billion Three Hundred and Forty-six Million Seven Hundred and Thirty Thousand Only
Legal Representative:	Liu Cheng
Date of Establishment:	September 30, 1992
Business Term:	From September 30, 1992 to September 29, 2042

Business Scope:

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

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

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

Shareholder Name	Registered capital (10,000 yuan)	Capital Contribution
Metallurgical Corporation of China Ltd.	234,673	100%
Total	234,673	100%

3. Historical Evolution of the Evaluated Entity

(1) Company establishment

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

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

S/N	Shareholder Name	Subscribed capital contribution (RMB10,000)	Capital Contribution Ratio
1	China National Nonferrous Metals Industry Corporation	9,755	100%

(2) Company name change in 2002

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

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

S/N	Shareholder Name	Subscribed capital contribution (RMB10,000)	Capital Contribution Ratio
1	Metallurgical Corporation of China Ltd.	148,062	100%

- (4) *Company name change in 2008*

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

- (5) *Capital increase to RMB2,300 million in 2013*

On December 31, 2013, according to the document *Decision on Capital Increase for China Non-ferrous Engineering Co., Ltd.* (ZYTZ [2013] No. 36), Metallurgical Corporation of China Ltd. increased the capital of China Non-ferrous Engineering. The registered capital increased from RMB1,480.62 million to RMB2,300 million. After this capital increase, the subscribed capital contributions and shareholding percentages were as follows:

S/N	Shareholder Name	Subscribed capital contribution (RMB10,000)	Capital Contribution Ratio
1	Metallurgical Corporation of China Ltd.	230,000	100%

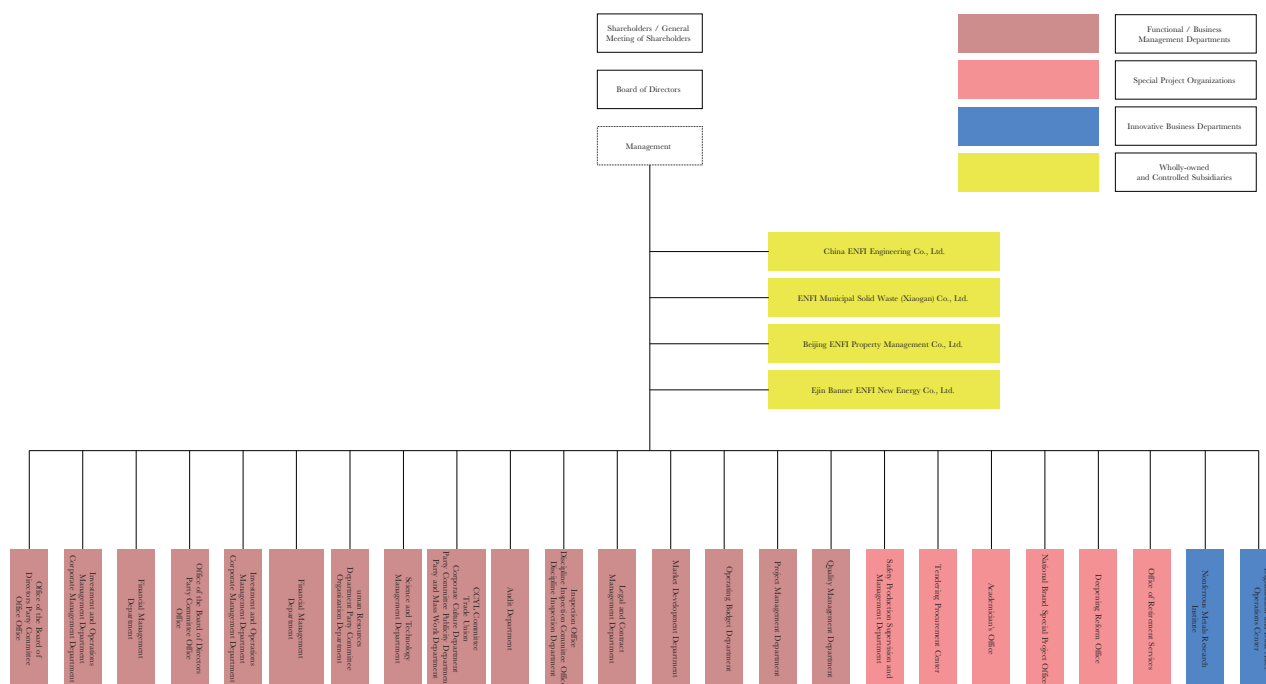
(6) Capital increase to RMB2,346.73 million in 2021

On April 30, 2021, according to the document *Reply on Approving the Capital Increase for China Non-ferrous Engineering Using Entrusted Loan Funds from Xidong Company and Xiangyang Company* (ZYZT [2020] No. 190), Metallurgical Corporation of China Ltd. increased the capital of China Non-ferrous Engineering. The registered capital increased from RMB2,300 million to RMB2,346.73 million. After this capital increase, the subscribed capital contributions and shareholding percentages were as follows:

A/N	Shareholder Name	Subscribed capital contribution (RMB10,000)	Capital Contribution Ratio
1	Metallurgical Corporation of China Ltd.	234,673	100%

4. Organizational structure and personnel structure of the evaluated entity

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



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

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

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

(1) Main business operations

The company's primary business operation is house leasing, along with minor other businesses including advertising in publications, and journal printing and publishing quotas. The subsidiaries are engaged in engineering design and contracting businesses.

(2) Main operating conditions

As of the valuation date, the total asset book value of China Non-ferrous Engineering on a parent company basis was RMB5,741.8096 million, the total liability book value was RMB1,087.9743 million, and the owner's equity book value was RMB4,653.8352 million. From January to July 2025, the company achieved an operating revenue of RMB108.8556 million and a net profit of RMB65.5904 million.

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

Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	576,625.16	576,065.03	573,336.48	574,180.96
Liabilities	124,137.26	120,074.74	115,647.43	108,797.43
Total Shareholders' Equity	452,487.90	455,990.29	457,689.05	465,383.52

Item	2022	2023	2024	January-July 2025
Operating Revenue	22,535.03	23,309.22	22,399.42	10,885.56
Operating Profit	20,462.74	12,644.26	19,547.90	8,667.30
Net Profit	20,459.92	7,703.02	16,687.56	6,559.04

Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report	No. ZTS Zi (2023) No. 110C003579	ZTS Zi (2024) No. 110C006211	ZTS Zi (2025) No. 110C010098	S Zi [2025] No. [2025]42286
Type of Audit Report	Unqualified opinion	Unqualified opinion	Unqualified opinion	Unqualified opinion

As of the valuation date, the total asset book value of China Non-ferrous Engineering on a consolidated basis was RMB12,456.6381 million, the total liability book value was RMB7,685.5988 million, and the owner's equity book value was RMB4,771.0393 million, of which the owner's equity attributable to the parent company was RMB4,238.3410 million. From January to July 2025, the company achieved an operating revenue of RMB5,226.7147 million and a net profit of RMB112.5428 million, of which the net profit attributable to the owners of the parent company was RMB128.2641 million.

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

Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	1,038,933.95	1,101,013.23	1,254,677.35	1,245,663.81
Liabilities	635,404.81	655,298.26	790,328.80	768,559.88
Owners' Interests	403,529.14	445,714.96	464,348.55	477,103.93
Wherein: Total owner's equity attributable to the parent company	357,490.54	390,440.92	409,522.40	423,834.10
Item	2022	2023	2024	January-July 2025
Operating Revenue	694,736.10	623,307.40	871,761.18	522,671.47
Total Profit	35,783.35	53,324.59	42,194.76	14,648.75
Net Profit	31,045.98	46,061.43	33,936.86	11,254.28
Wherein: Net profit attributable to owners of the parent company	15,063.01	36,896.59	34,026.00	12,826.41

APPENDIX V-C VALUATION REPORT OF NON-FERROUS ENGINEERING

Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report	No. ZTS Zi (2024) No. 110C006210	ZTS Zi (2024) No. 110C006210	ZTS Zi (2025) No. 110C010097	S Zi [2025] No. [2025]42286
Type of Audit Report	Unqualified opinion	Unqualified opinion	Unqualified opinion	Unqualified opinion

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

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

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

(IV) Relationship between the Client and the Evaluated Entity

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

II. VALUATION PURPOSE

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

III. VALUATION OBJECT AND SCOPE

(I) Valuation Object

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

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

The valuation scope covers all assets and liabilities of China Non-ferrous Engineering Co., Ltd. as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the company showed total assets with a book value of RMB5,741.8096 million, total liabilities with a book value of RMB1,087.9743 million, and net assets with a book value of RMB4,653.8352 million. The book details of all audited assets and liabilities within the valuation scope are as follows:

Monetary Unit: RMB10,000

Subject Name	Book Value	Proportion of
		Total Assets/Total Liabilities
I. Total current assets	16,745.80	2.92%
Monetary Funds	1,952.95	0.34%
Accounts Receivable	65.94	0.01%
Advance payments	154.80	0.03%
Other Receivables	14,176.71	2.47%
Other current assets	395.39	0.07%
II. Total non-current assets	557,435.16	97.08%
Long-term Equity Investments	474,436.97	82.63%
Investments in other equity instruments	7,110.71	1.24%
Investment Properties	29,708.86	5.17%
Fixed Assets	12,138.48	2.11%
Construction in Progress	171.68	0.03%
Right-of-use assets	77.61	0.01%
Intangible Assets	27,437.72	4.78%
Long-term unamortized expenses	360.12	0.06%
Deferred tax assets	5,993.01	1.04%
III. Total assets	574,180.96	100.00%

Subject Name	Book Value	Proportion of Total Assets/Total Liabilities
IV. Total current liabilities	83,474.90	76.73%
Accounts payable	1,104.47	1.02%
Advance receipts	20.36	0.02%
Contract liabilities	3.53	0.00325%
Employee benefits payable	567.71	0.52%
Taxes payable	410.95	0.38%
Other payables	79,748.79	73.30%
Non-current liabilities due within one year	1,619.09	1.49%
V. Total non-current liabilities	25,322.53	23.27%
Long-term borrowings	2,500.00	2.30%
Lease liabilities	59.65	0.05%
Long-term payables	21,263.40	19.54%
Deferred incomes	1,499.48	1.38%
VI. Total Liabilities	108,797.43	100.00%
VII. Owner's Equity	465,383.52	100%

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

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

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

1. The book value of monetary funds is RMB19.5295 million, primarily consisting of cash and bank deposits.
2. The book value of accounts receivable is RMB0.6594 million, representing amounts receivable from product sales and service fees.

3. The book value of advance payments is RMB1.5480 million, mainly comprising prepaid lease fees and insurance premiums.
4. The net book value of other receivables is RMB141.7671 million, consisting of interest receivable, dividends receivable, and other receivables (excluding interest receivable and dividends receivable).
5. The book value of other current assets is RMB3.9539 million, representing input taxes pending deduction.
6. The total book value of long-term equity investments is RMB4,841.5133 million, with a provision for impairment of long-term equity investments of RMB97.1435 million, resulting in a net book value of long-term equity investments of RMB4,744.3697 million.
7. The book value of investments in other equity instruments is RMB71.1071 million. There are a total of 3 entities included in the valuation scope under investments in other equity instruments.
8. There are 8 investment properties within the scope of the valuation, which are properties that the enterprise has leased out or plans to lease out as of the valuation date. The original book value is RMB472.1077 million, and the net book value is RMB297.0886 million.
9. The total net book value of fixed assets is RMB121.3848 million. Fixed assets mainly include buildings and structures; machinery equipment; vehicles; and electronic equipment. The buildings of China Non-ferrous Engineering include the R&D building, administrative office building, middle office building, etc., totaling 8 items. The total gross floor area of the buildings is 25,769.14 square meters. Among these, 5 properties have obtained property ownership certificates, 2 properties have not obtained property ownership certificates (the total area of properties without certificates is 12,453.27 m²), and 1 building has not updated the area certificate after an addition. The structures consist of outdoor roads and ancillary facilities, totaling 1 item, all in normal maintenance and use condition. The main equipment assets are machinery equipment, electronic equipment, and vehicles. Wherein: There are 24 vehicles in total, primarily for office use and transportation. There are 2,294 items of machinery equipment, mainly including dry-type transformers, elevators, submersible pumps, fresh air handling units, and air curtains. There are 4,069 items of electronic equipment, mainly including air conditioning units, electric water boilers, fan coil units, and other office equipment. The office electronic equipment is distributed throughout the company's office areas and is in normal maintenance and use condition.

10. The book value of construction in progress is RMB1.7168 million, which relates to equipment installation projects.
11. The book value of right-of-use assets is RMB0.7761 million, representing leased office space.
12. The book value of intangible assets is RMB274.3772 million. The intangible assets declared by the enterprise for valuation include: 1 land use right with book records and 63 other intangible assets. For detailed basic information on the intangible assets declared for valuation, please refer to the *Intangible Assets – Land Use Rights Detailed Assessment Schedule and the Intangible Assets – Other Intangible Assets Detailed Assessment Schedule*. Other supplementary information is described as follows:
 - (1) The intangible asset – land use right declared by China Non-ferrous Engineering involves 1 parcel. The specific details are as follows:

Monetary Unit: RMB10,000

Serial Number	Land Right		Land Location	Land Purpose	Acquisition Date	Development Level	Area ^(m²)	Original	Book Value
	Certificate No.							Recorded Value	
1	JY (2020) SBDCQ No. 0000671	No. 12, Fuxing Road, Haidian District, Beijing	Office, underground parking, underground office	September 8, 2008	Seven accesses and site leveling		36,084.67	39,353.96	26,993.88
Total							36,084.67	39,353.96	26,993.88

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

(2) The intangible assets – other intangible assets (office software) declared by China Non-ferrous Engineering total 63 items. There are 1,045 off-book patents, 85 trademarks, and 82 software copyrights. All 1,045 patents are jointly owned with China ENFI Engineering Corporation, or China Silicon Corporation Ltd., or ENFI Xiong'an Technology Development Co., Ltd. 80 of the software copyrights are jointly owned with China ENFI Engineering Corporation. Given the large quantity of the above off-book intangible assets, and their joint ownership with China ENFI Engineering Corporation, and considering that the current main business of China Non-ferrous Engineering Co., Ltd. is house leasing, and these off-book intangible assets are all used by and generate income for China ENFI Engineering Corporation, they have been incorporated into the valuation of the off-book intangible assets of China ENFI Engineering Corporation. For specific details, please refer to the Asset Valuation Detailed Schedule of China ENFI Engineering Corporation.

13. The book value of long-term prepaid expenses is RMB3.6012 million, primarily consisting of business tax prepaid on rent.

14. The book value of deferred income is RMB59.9301 million, mainly comprising deferred income unrelated to government subsidies and research subsidies.

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

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

(V) Use of Professional Work

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

IV. BASE OF VALUE AND ITS DEFINITION

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

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

V. VALUATION DATE

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

The reasons for selecting this valuation date are:

- (I) Valuation date meets the requirements of the relevant economic activity and facilitates the achievement of the valuation purpose.
- (II) This valuation date coincides with the accounting month-end statement of the evaluated entity and the balance sheet date in the audit report, which allows the valuation institution to fully utilize the enterprise's existing financial data, aiding the completion of the valuation.

VI. VALUATION BASES

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

(I) Economic Behavior Basis

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

(II) Law and Regulation Bases

1. Assets Appraisal Law of the People's Republic of China (promulgated by Decree No. 46 of the President of the People's Republic of China, effective from December 1, 2016);
2. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);

3. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);
4. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);
5. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);
6. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);
7. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 732 of the State Council of the People's Republic of China, amended on November 29, 2020);
8. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (Document GZF [1992] No. 36 issued by the former State Administration of State-owned Assets);
9. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);
10. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);
11. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);
12. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* ([Decree No. 12] of the State-owned Assets Supervision and Administration Commission of the State Council, issued on August 25, 2005);

13. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);
14. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);
15. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);
16. *Notice on Issuance of the “Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises”* (GZFCQ [2013] No. 64);
17. *Provisional Regulations of the People’s Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People’s Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People’s Republic of China on November 19, 2017);
18. *Detailed Rules for the Implementation of the Provisional Regulations of the People’s Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);
19. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS 2016 No. 36);
20. *Notice on Adjusting Value-added Tax Rates* (CS [2018] No. 32);
21. *Announcement on Policies Related to Deepening VAT Reform* (Announcement [2019] No. 39 of the Ministry of Finance, State Taxation Administration, and General Administration of Customs);
22. *Urban Real Estate Administration Law of the People’s Republic of China* (approved on July 5, 1994, by the 8th Session of the Standing Committee of the 8th National People’s Congress; approved on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People’s Congress);

23. *Land Administration Law of the People's Republic of China* (approved on June 25, 1986, by the 16th Session of the Standing Committee of the 6th National People's Congress; amended on August 26, 2019, by the 12th Session of the Standing Committee of the 13th National People's Congress);
24. Regulation on the Implementation of the Land Administration Law of the People's Republic of China (approved at the 132th executive meeting of the State Council on April 21, 2021)
25. Regulations for Gradation and Classification on Urban Land (GB/T18507–2014);
26. *Interim Regulations of the People's Republic of China Concerning the Assignment and Transfer of the Right to the Use of the State-owned Land in the Urban Areas* (released and implemented on May 19, 1990 as per Decree No. 55 of the State Council;
27. Notice of the Ministry of Land and Resources Document "GTZF [2006] No. 307" on Issuing and Implementing the *Minimum Price Standard for the Transfer of National Industrial Land*;
28. *Patent Law of the People's Republic of China* (approved on December 27, 2008, by the 6th Session of the Standing Committee of the 11th National People's Congress);
29. *Rules for the Implementation of the Patent Law of the People's Republic of China* (Decree No. 569 of the State Council of the People's Republic of China, approved at the 95th Executive Meeting of the State Council on December 30, 2009);
30. *Copyright Law of the People's Republic of China* (adopted at the 13th Session of the Standing Committee of the 11th National People's Congress on February 26, 2010);
31. *Regulations on Computer Software Protection* (Decree No. 632 of the State Council of the People's Republic of China, issued on January 30, 2013);
32. Accounting Standards for Business Enterprises and other related accounting systems;
33. Other relevant laws, regulations, notices, and documents.

(III) Basis of Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);
2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);
3. *Practice Standards for Assets Valuation – Asset Valuation Procedures* (ZPX [2018] No. 36);
4. *Practice Standards for Assets Valuation - Asset Valuation Report* (ZPX [2018] No. 35);
5. *Practice Standards for Assets Valuation - Asset Valuation Engagement Contract* (ZPX [2017] No. 33);
6. *Practice Standards for Assets Valuation – Assets Valuation File* (ZPX [2018] No. 37);
7. *Practice Standards for Assets Valuation – Valuation Method* (ZPX [2019] No. 35);
8. *Practice Standards for Assets Valuation – Enterprise Value* (ZPX [2018] No. 38);
9. *Practice Standards for Assets Valuation – Intangible Assets* (ZPX [2017] No. 37);
10. *Practice Standards for Assets Valuation – Property* (ZPX [2017] No. 38);
11. *Practice Standards for Assets Valuation – Machinery and Equipment* (ZPX [2017] No. 39);
12. *Guidelines for the Asset Valuation of Intellectual Property* (ZPX [2017] No. 44);
13. *Guidelines for Asset Valuation Reports on State - Owned Enterprises* (ZPX [2017] No. 42);
14. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);
15. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);
16. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);

17. *Guidance on Patent Asset Valuation* (ZPX [2017] No. 49);
18. *Guidance on Copyright Asset Valuation* (ZPX [2017] No. 50);
19. *Guidance on Trademark Asset Valuation* (ZPX [2017] No. 51).

(IV) Basis of Asset Ownership

1. Business License for Enterprise Legal Person;
2. Construction land planning permit, construction engineering planning permit, construction permit;
3. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);
4. Major asset purchase contracts or vouchers;
5. Motor vehicle registration certificate;
6. Patent certificates, software copyright certificates, trademark certificates, etc.;
7. State-owned land use certificate;
8. Real property ownership certificate;
9. Safety production license;
10. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;
2. Financial statements and detailed financial ledgers of the valuation date and the previous 3 years;

3. Materials related to financial management, production and operation, and market sales provided by the enterprise;
4. Enterprise revenue, cost, expense analysis, and forecasting materials;
5. The enterprise's fixed asset depreciation method;
6. Enterprise development plans, investment projects, and data on required funds for future years;
7. The enterprise's financial accounting system;
8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;
9. Selected contracts and agreements provided by the enterprise;
10. Data analyzing the enterprise's industry position and market competition;
11. Current national and local tax policies and regulations;
12. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;
13. Relevant data on A-share listed companies provided by the iFinD software;
14. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;
15. Provisions on Compulsory Retirement Standards for Motor Vehicles (Decree No. 12 of jointly issued by the Ministry of Commerce, National Development and Reform Commission, Ministry of Public Security, and Ministry of Environmental Protection);
16. Recent issues of the *UDC United Market Information and the Automobile Business Information* near the valuation date;
17. Relevant financial data and engineering materials provided by the enterprise;
18. Notice on the *Financial Rules for Capital Construction* (Promulgated by the Decree No. 81 of the Ministry of Finance and implemented from September 1, 2016);

19. Current cost norms for building construction, installation engineering, decoration engineering, municipal engineering, and other related norms in the region where the buildings are located;
20. *Standards for Building Damage Level Assessment, Reference Basis for Assessing the Newness or Oldness of a House, and Grading Criteria and Adjustment Factors for Building Newness Rates* issued by the former Ministry of Urban and Rural Environmental Construction and Protection;
21. *Local Construction Engineering Cost Information*;
22. Relevant cost indexes and similar engineering cost indicators;
23. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;
24. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;
2. Audit report as of the valuation date;
3. Real estate ownership certificate and property ownership certificate;
4. *Manual of Common Data and Parameters for Asset Valuation*;
5. Important contracts for surveys, design, engineering, and other business provided by the enterprise;
6. Market research data collected by the asset valuation professionals;
7. Relevant materials from on-site inspections and inquiries/confirmations conducted by the asset valuation professionals;
8. *Terminology of Asset Valuation Standards 2020* (ZPX [2020] No. 31);

9. Guidelines for Asset Valuation Expert No. 8 – Verification and Validation during Asset Valuation (ZPX [2019] No. 39);
10. *Applicable Regulatory Guidelines – Valuation Category No. 1* from the China Securities Regulatory Commission;
11. *Guidelines for Asset Valuation Expert No. 12 – Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);
12. Relevant materials provided by the enterprise’s related departments and personnel;
13. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. VALUATION METHOD

(I) Selection of Valuation Method

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

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

The income approach in enterprise value valuation refers to a Valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation assumes the continuance of the valuation object as a going concern. The enterprise can provide complete historical operational and financial data. Management has conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future earnings and operational risks can be quantified, meeting the basic conditions for applying the income approach.

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

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

(II) Method for Determining the Valuation Conclusion

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

VIII. APPLICATION OF SPECIFIC VALUATION METHOD FOR VARIOUS ASSETS AND LIABILITIES UNDER THE ASSET-BASED APPROACH

(I) Valuation of Current Assets

1. *Monetary Funds*

Monetary funds include cash and bank deposits.

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

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

2. *Accounts Receivable*

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

3. *Advance payments*

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

4. *Other receivables*

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

(1) *Interest receivable*

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

(2) *Dividends receivable*

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

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

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

5. Other current assets

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

(II) Long-term Equity Investments

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

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

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

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

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

APPENDIX V-C VALUATION REPORT OF NON-FERROUS ENGINEERING

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

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

8	China Nonferrous Metals Processing Technology Co., Ltd.	1.73%	Yes	No	Statement conversion	No
9	Lanzhou Jinchuan Advanced Materials Technology Co., Ltd.	0.23%	Yes	No	Statement conversion	No

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

Asset-based approach: This method reflects the asset value from the perspective of asset replacement, i.e., by deducting various forms of depreciation or obsolescence from the asset's replacement cost to determine its value. Detailed information on the assets and liabilities of the evaluated enterprise as of the valuation date was available, so the asset-based approach was adopted.

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

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

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

(III) Investments in other equity instruments

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

(IV) Valuation of Investment Properties

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

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

The market approach was applied following these basic steps:

- (1) Collect relevant information on transaction instances;
- (2) Select effective comparable market transaction instances;
- (3) Establish a comparable basis for price;
- (4) Perform transaction circumstance adjustments;
- (5) Perform transaction date adjustments;
- (6) Perform locational characteristic adjustments;
- (7) Perform physical characteristic adjustments;
- (8) Perform adjustments for rights and interests;
- (9) Derive the adjusted comparable price and determine the valuation value of the building (or real estate) being appraised.

The basic formula for the market approach is:

$$\text{Valuation value} = \text{comparable transaction case value} \times A \times B \times C \times D \times E$$

Wherein: A – Transaction date adjustment factor;

B – Transaction circumstances adjustment factor;

C – Locational characteristic adjustment coefficient;

D – Physical characteristic adjustment coefficient;

E – Equity adjustment coefficient

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

$$P = \sum_{i=1}^n \frac{R_i}{(1+r)^i} + B$$

Income approach calculation formula:

Wherein: R_i – Annual Net Rental Income

r – Discount Rate

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

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

P – valuation value of the property

(V) Valuation of Buildings and Structures

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

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

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

Valuation value of structure = full replacement cost × newness rate

1. Full replacement cost

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

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

(1) Determination of construction and installation cost

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

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

(2) Determination of preliminary and other expenses

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

(3) *Determination of costs of capital*

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

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

(4) *Deductible value-added tax*

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

2. *Newness rate*

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

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

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

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

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

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

3. *Determination of valuation value*

Valuation value = Full replacement cost $\times$ comprehensive newness rate

(VI) Valuation of Equipment Assets

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

Replacement Cost Method:**1. Determination of the Full Replacement Cost****(1) Full replacement cost of machinery and equipment**

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

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

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

① Equipment purchase price

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

② Transportation and miscellaneous expenses

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

③ Equipment foundation costs

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

④ Installation and commissioning cost

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

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

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

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

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

- ⑦ Deductible VAT

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

(2) *Vehicles*

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

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

- ① Vehicle purchase price including tax

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

② Vehicle purchase tax

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

③ License plate fees

Typically, license plate fees include vehicle inspection fees, handling charges, and license plate production fees. The total of these fees locally is approximately RMB300.00.

(3) *Full replacement cost of electronic equipment*

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

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

Full replacement cost = Purchase price (excluding tax)

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

2. *Determination of the Newness Rate*

(1) *Newness rate for machinery and equipment*

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

Newness rate = $(1 - \text{years in service/economic service life}) \times 100\%$

Or

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

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

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

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

Newness rate = (1 – years in service/economic service life) $\times$ 100%

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

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

(3) *Vehicle newness rate*

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

Service Life Newness Rate = (1 – 2/Economic Service Life) $\times$ Years in Service $\times$ 100%

Mileage-based newness rate = (stipulated mileage – accumulated mileage)/stipulated mileage $\times$ 100%

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

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

Simultaneously, necessary inspection and identification were performed on the various components of the vehicle subject to valuation. If the results of the inspection and identification differed significantly from the newness rate determined by the above method, appropriate adjustments were made to determine the final newness rate. If the results are fairly consistent, no adjustments are made.

3. *Determination of valuation value*

Valuation value = Full replacement cost $\times$ comprehensive newness rate

Market approach:

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

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

Comparable Price = Transaction Price $\times$ Quality and Technical Condition Adjustment Coefficient $\times$ Mileage Adjustment Coefficient $\times$ Transaction Date Adjustment Coefficient $\times$ Transaction Situation Adjustment Coefficient $\times$ Service Life Adjustment Coefficient

Comparable Price = (Case A+Case B+Case C) $\div$ 3

Vehicle Valuation Value (Market Approach) = Comparable Price

(VII) Valuation of Construction in Progress

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

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

(VIII) Valuation of Right-of-Use Assets

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

(IX) Valuation of Intangible Assets

1. Purchased software and system-type intangible assets: The asset valuation professionals determined the valuation value by inquiring about the current market prices of identical software. For software that has not been upgraded, the valuation value was determined based on the price of the upgraded software, minus the upgrade cost.

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

(X) Valuation of Long-Term Deferred Expenses

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

(XI) Valuation of Deferred Tax Assets

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

(XII) Valuation of Liabilities

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

IX. APPLICATION OF SPECIFIC VALUATION METHODS IN THE INCOME APPROACH

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

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

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

(I) Value of Operating Assets

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

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

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

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

(III) Discount Rate

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

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

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

D: Target debt value of the valuation object;

Re: Expected rate of return on equity;

Rd: Expected rate of return on debt;

T: The applicable enterprise income tax rate.

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

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

Wherein: Rf – Risk-free interest rate;

β – Equity systematic risk adjustment coefficient;

Rm- Rf – Market risk premium;

α : Company-specific risk adjustment factor.

(IV) Income Period

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

(V) Valuation Calculation Formula for the Income Approach

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

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

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

A_i – Free cash flow to the firm in year i ;

R – Discount rate;

n – Operating life of the enterprise;

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

n – Operating life of the enterprise;

F – Terminal value of recovered assets.

X. IMPLEMENTATION PROCESS AND SITUATION OF THE VALUATION PROCEDURES

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

(I) Clarification of Basic Matters of the Valuation Engagement

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

(II) Signing the Asset Valuation Engagement Contract

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

(III) Preparation of the Valuation Plan

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

(IV) On-site Investigation

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

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;
2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;
3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.
4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

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

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;
2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;

3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;
4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation

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

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.
2. Key tasks for the Income Approach valuation involved asset valuation professionals' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the calculation result under the Income Approach.
3. The preliminary calculation results from the Asset-based Approach and the Income Approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the calculation result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VIII) Preparation and Submission of the Valuation Report

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

XI. VALUATION ASSUMPTIONS**(I) General Assumptions**

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open market assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.
3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption: It is assumed that the production and business operations of the Evaluated Entity can continue based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of China Non-ferrous Engineering and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.
7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.

10. It is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. The valuation scope is based on the range of assets provided by the client. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.
12. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.
2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

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

XII. EVALUATION CONCLUSION

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

(I) Asset-Based Approach Calculation Results

According to the asset-based approach valuation, the total asset book value of China Non-ferrous Engineering Co., Ltd. was RMB5,741.8096 million, with a valuation value of RMB11,568.5586 million, representing an appreciation of RMB5,826.7490 million and an appreciation rate of 101.48%. The total liability book value was RMB1,087.9743 million, with a valuation value of RMB1,072.9795 million, representing a depreciation of RMB14.9948 million and a depreciation rate of 1.38%. The owner's equity book value was RMB4,653.8352 million, with a valuation value of RMB10,495.5790 million, representing an appreciation of RMB5,841.7438 million and an appreciation rate of 125.53%. For details, please refer to the Summary Table of Valuation Results.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB10,000

Item		Book Value	Valuation Value	Appreciation/Depreciation	Appreciation/Depreciation Rate %
					$D=C/A \times 100\%$
		A	B	C=B-A	
Total Current Assets	1	16,745.80	16,745.80	—	—
Total Non-Current Assets	2	557,435.16	1,140,110.06	582,674.90	104.53
Including: Long-term Equity					
Investments	3	474,436.97	784,436.35	309,999.38	65.34
Investment Properties	4	29,708.86	269,263.28	239,554.42	806.34
Fixed Assets	5	12,138.48	72,247.46	60,108.99	495.19
Construction in Progress	6	171.68	173.40	1.72	1.00
Intangible Assets	7	27,437.72	448.13	-26,989.60	-98.37
Including: Intangible Assets –					
Land Use Rights	8	26,993.88	—	-26,993.88	-100.00

Item		Book Value	Valuation Value	Appreciation/Depreciation	Appreciation/Depreciation Rate % $D=C/A \times 100\%$
		A	B	C=B-A	
Subtotal of Other Non-Current Assets	9	13,541.45	13,541.45	—	—
Total Assets	10	574,180.96	1,156,855.86	582,674.90	101.48
Current Liabilities	11	83,474.90	83,474.90	—	—
Non-Current Liabilities	12	25,322.53	23,823.05	-1,499.48	-5.92
Total Liabilities	13	108,797.43	107,297.95	-1,499.48	-1.38
Owner's Equity (or Shareholders' Equity)	14	465,383.52	1,049,557.90	584,174.38	125.53

(II) Income Approach Calculation Results

According to the valuation, as of the valuation date of July 31, 2025, the total equity value of China Non-ferrous Engineering Co., Ltd. was RMB8,720.1894 million, representing an appreciation of RMB4,066.3542 million compared to the book value of owner's equity of RMB4,653.8352 million on the valuation date, with an appreciation rate of 87.38%.

(III) Analysis of the Results from the Two Methods

From the above results, it can be observed that the valuation results from both the income approach and the asset-based approach show varying degrees of appreciation relative to the book value of net assets. The result from the Asset-based Approach is RMB1,775.3896 million higher than that from the income approach. An analysis of the bases and value composition of the Valuation Methods shows that:

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

The technical rationale of the asset-based approach is to derive a valuation conclusion based on assessing the assets and liabilities objectively existing as of the valuation date one by one. This allows users of the valuation report to intuitively understand the value composition of the company's existing assets.

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

(IV) Valuation Conclusion

The valuation determined that as of the valuation date, July 31, 2025, the total equity value of the shareholders of China Non-ferrous Engineering Co., Ltd. was RMB10,495.5790 million. In words: RMB Ten Billion Four Hundred and Ninety-five Million Five Hundred and Seventy-nine Thousand.

The appraisal concluded that, compared with the parent company's book equity of RMB4,653.8352 million as of the valuation date, the appraised value increased by RMB5,841.7438 million, representing an appreciation rate of 125.53%; and compared with the parent company's equity attributable to owners in the consolidated financial statements of RMB4,238.3410 million, the appraised value increased by RMB6,257.2380 million, representing an appreciation rate of 147.63%.

XIII. NOTES FOR SPECIAL MATTERS

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

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

- (II) This report is based on information required for the valuation provided by China Non-ferrous Engineering, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.
- (III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional valuation opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.
- (IV) The future profit forecast involved in the valuation is based on projections formulated by the management of China Non-ferrous Engineering and confirmed by both China Non-ferrous Engineering and the client. China Non-ferrous Engineering is responsible for the authenticity, scientific validity, and completeness of the relevant data and information supporting the future profit forecast, as well as for the reasonableness and achievability of the forecast itself. It is the responsibility of the client and relevant parties to provide the necessary materials and ensure the authenticity, legality, and completeness of the materials provided; the responsibility of the asset valuation professionals is to analyze and estimate the value of the valuation object for the specific purpose at the valuation date and to express professional opinions.
- (V) The valuation assumptions used in this income approach valuation represent a reasonable prediction of the future operations of the valuation object under current conditions. If various unpredictable and unavoidable factors arise in the future that could affect the fulfillment of these assumptions, the degree to which the profit forecast is achieved may be impacted. The asset valuation professionals hereby remind the client and other relevant parties that we do not guarantee the fulfillment of the aforementioned assumptions, nor do we undertake any obligation to achieve or assist in achieving them.
- (VI) The book values of assets and liabilities, financial indicators, and other relevant information used in this asset valuation report are based on the audit report (TZY Zi [2025] No. 42286) issued by Baker Tilly China Certified Public Accountants (Special General Partnership). The audited financial data in the audit report forms the basis for the asset valuation. If this financial data change, the valuation conclusions herein may become invalid.

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

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

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

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

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

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

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

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

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

(X) Notes on Incomplete Valuation Data

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

(XI) Other Key Information Not Provided by the Client

None.

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

None.

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

None.

(XIV) Explanation of Lease Matters

As of the valuation date, China Non-ferrous Engineering Co., Ltd. leased the Zhongjia Office Building for office use. The specific details are as follows:

S/N	Building Name	Lessor	Lease Purpose	Unit of Measurement	Leased Area	Lease Term	Annual Rent (RMB)
1	Zhongjia Office Building	Beijing Dongxing Meallurgical New-tech & Development Corp.	Office Space	Square meters	539.80	January 1, 2022 to December 31, 2026	643,609.68

(XV) Other Matters to Be Explained

None.

(XVI) This valuation conclusion does not consider potential changes in tax obligations arising from the valuation value appreciation or depreciation.

(XVII) Explanatory Notes on Specific Matters Related To Long-term Equity Investment Entities

1. *Matters concerning property rights defects*

- (1) China Silicon Corporation Ltd. owns three residential properties located at No. 26 Linjian South Road, Luoyang City, specifically in the Luoyang Development and Reform Commission residential compound (Units 4-3-701, 4-2-701, 4-2-702). In 2004, China Silicon purchased these three apartments to accommodate introduced talents (Yi Zhengyi, Yu Jun, Zheng Yue). After these three individuals resigned, the procedures related to the purchase, such as deed tax, which were handled by them, resulted in inconsistencies between the property certificates registered under China Silicon's name and the deed tax documentation, making it impossible to obtain the house ownership certificates. These three properties are currently idle. Due to the defects in property rights, which prevent these assets from entering the transaction market, the book value is used as the valuation value for the valuation.
- (2) For items 46 to 50 in the building valuation details of China Silicon Corporation Ltd., these five buildings are constructed on leased land, making it impossible to obtain house ownership certificates. This assessment assumes that the land lease can be successfully renewed upon expiration. The economic life of the buildings is considered normally.

- (3) None of the building assets declared by ENFI New Energy (Zhongwei) Co., Ltd. have property ownership certificates. The specific details are as follows:

S/N	Building Name	Structure	Completion Date	Unit of Measurement	Building area/volume	Remark
1	Inverter room	Brick-concrete structure	2011/03	m ²	634.15	
2	Power distribution building, comprehensive building and pump house	Framework structure	2011/03	m ²	1,270.00	
3	Warehouse	Framework structure	2011/03	m ²	420.00	
4	Phase II inverter room	Brick-concrete structure	2011/03	m ²	1,399.40	
5	Phase III inverter room	Steel structure	2012/06	m ²	931.20	
6	Phase III power distribution station and comprehensive building	Reinforced concrete structure	2012/06	m ²	496.80	
7	Phase III pump house and warehouse	Reinforced concrete structure	2012/06	m ²	309.60	

For the valuation, the floor area for buildings not yet certified was determined primarily based on ownership confirmation documents and surveying & mapping data provided by the evaluated entity, combined with on-site inspection by the asset valuation professionals. However, the final area shall be subject to the area registered on the property ownership certificate issued by the relevant property management authority. ENFI Zhongwei guarantees that the ownership of these buildings belongs to ENFI Zhongwei, is clear, and is undisputed. ENFI Zhongwei will assume all legal responsibility should any legal disputes arise regarding the property ownership of the buildings within the valuation scope. This valuation did not consider the potential impact of ownership defects on the valuation conclusion.

2. Matters concerning Mortgage, Pledge, and Guarantee**(1) Xiangyang ENFI Environmental Protection Energy Co., Ltd.**

In March 2017, Xiangyang ENFI Environmental Protection Energy Co., Ltd. signed a *Pledge Contract* (No.: EFDY 20170101-1) with Hubei Xiangyang Rural Commercial Bank Co., Ltd., pledging the accounts receivable from waste treatment fee income for the waste-to-energy power generation project from February 1, 2017, to January 31, 2027, as collateral. The guaranteed amount was RMB One hundred and nine million five hundred and fifty thousand.

On December 27, 2021, Xiangyang ENFI signed a Fixed Asset Loan Contract (No.: PSBC42-YYT2021122703) with the Xiangyang Branch of Postal Savings Bank of China Co., Ltd., for a loan of RMB251.86 million. The loan term is ten years, from December 27, 2021, to December 26, 2031. Simultaneously, an *Accounts Receivable Pledge Contract* (No.: PSBC42-YYT2021122703-1) was signed, pledging the accounts receivable generated from the electricity tariff collection rights and waste treatment fee collection rights of the Xiangfan Municipal Solid Waste Incineration Power Plant Project, the Xiangyang Solid Waste Incineration Power Plant Phase II Expansion Project, and the Xiangyang ENFI Solid Waste Incineration Power Plant Technical Upgrade Project, proportionally based on the loan share.

(2) ENFI Municipal Solid Waste (Xiaogan) Co., Ltd.

On July 12, 2021, ENFI Municipal Solid Waste (Xiaogan) Co., Ltd. signed a *Fixed Asset Loan Contract* (Contract No.: HTZ420686036GDZC202100003) with the China Construction Bank Corporation Xiaogan Jiaotong Road Sub-branch for a loan of RMB One hundred and forty million. The loan term is from June 25, 2021, to June 24, 2033. On November 16, 2022, both parties signed a *Highest Amount Mortgage Contract*. The mortgaged assets are the 11,278.55 square meters of industrial real estate and 39,779 square meters of land use right registered under the property ownership certificate No. E (2022) XGQ BDCQ No. 0010184, and the 38,549 square meters of land use right registered under the property ownership certificate No. E (2022) XGQ BDCQ No. 0001514. On May 17, 2023, both parties signed a supplementary agreement, revising the loan interest rate to LPR minus 120 basis points.

(3) *Gu'an Enfei Environmental Protection Energy Co., Ltd.*

On November 11, 2020, Gu'an Enfei Environmental Protection Energy Co., Ltd. entered into an accounts receivable pledge agreement with the Langfang Branch of Postal Savings Bank of China Co., Ltd. The agreement stipulates that the pledged assets are the rights to collect electricity fees and waste disposal fees after the completion of the "Gu'an County Municipal Solid Waste Incineration Power Plant Project". The appraised value of the pledged assets is RMB816.9700 million, and the total loan amount under the loan agreement is RMB512.3700 million. The loan term is from November 11, 2020, to November 10, 2035.

(4) *Gu'an Enfei Environmental Technology Co., Ltd.*

On December 8, 2021, Gu'an Enfei Environmental Technology Co., Ltd. entered into an accounts receivable pledge agreement with the Gu'an Branch of Industrial and Commercial Bank of China Limited. The agreement stipulates that the pledged assets are the rights to collect fees from the "Gu'an County Organic Waste Resource Treatment Project," with a pledged asset value of RMB100.0000 million.

(5) *China Silicon Corporation Ltd.*

On January 28, 2022, China Silicon Corporation Ltd. entered into an accounts receivable pledge agreement with the Luoyang Branch of Postal Savings Bank of China Co., Ltd. The agreement stipulates that the pledged assets are the total land acquisition compensation (i.e., land and above-ground buildings in Luolong Science and Technology Park, Luoyang) and related assets such as equipment and facilities, with a total compensation value of RMB2,329.4992 million.

3. Matters concerning capital liable to be paid

As of the valuation date, the status of incomplete capital contributions for long-term equity investment units is as follows:

(1) ENFI Indonesia Co., Ltd.

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount	Ratio	Amount	Ratio
	(RMB10,000)	%	(RMB10,000)	%
China ENFI Engineering Corporation	1,530.24	67.00	653.86	100.00
PT GUNUNG AGUNG KONTRAKTOR	773.70	33.00	0.00	0.00
Total	2,303.94	100.00	653.86	100.00

(2) MCC ENFI South China Engineering Technology Co., Ltd.

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount	Ratio	Amount	Ratio
	(RMB10,000)	%	(RMB10,000)	%
China ENFI Engineering Corporation	5000.00	100.00	1000.00	100.00
Total	5000.00	100.00	1000.00	100.00

APPENDIX V-C VALUATION REPORT OF NON-FERROUS ENGINEERING

(3) *ENFI Zambia Co., Ltd.*

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount	Ratio	Amount	Ratio
	(RMB10,000)	%	(RMB10,000)	%
China ENFI Engineering Corporation	1.0830	100.00	0.00	0.00
Total	1.0830	100.00	0.00	0.00

(4) *ENFI Xiong'an Technology Development Co., Ltd.*

Shareholder Name	Subscribed registered capital		Paid-in registered capital	
	Amount	Ratio	Amount	Ratio
	(RMB10,000)	%	(RMB10,000)	%
China ENFI Engineering Corporation	5000.00	100.00	2700.00	100.00
Total	5000.00	100.00	2700.00	100.00

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

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

XIV. NOTES ON USAGE RESTRICTIONS FOR THE ASSESSMENT REPORT

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

- (II) If the client or other users of this asset valuation report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its valuers shall bear any responsibility.
- (III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- (IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- (V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.
- (VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.
- (VII) The validity period for the use of the valuation conclusion in this report is one year from the valuation date, i.e., it is valid for use from July 31, 2025 to July 30, 2026. When the valuation purpose is realized within one year after the valuation date, the valuation conclusion can serve as a reference for this valuation purpose. If it exceeds one year, a new asset valuation must be conducted.

XV. DATE OF THE ASSET VALUATION REPORT

Date of this report: December 3, 2025

**Asset Valuation Report
Supplementary Information**

**on Shareholders' Total Equity Value of China Non-ferrous Engineering Co., Ltd.
Involved in the Metallurgical Corporation of China Ltd.'s
Proposed Transfer of Subsidiary Equity**

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

**SUMMARY OF VALUATION ASSUMPTIONS AND CALCULATION PROCESS OF VALUATION
OF THE SHAREHOLDERS' TOTAL EQUITY VALUE OF CHINA ENFI ENGINEERING CO.,
LTD. VIA THE INCOME APPROACH****I. INTRODUCTION TO THE APPLICATION OF THE INCOME APPROACH**

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

II. BASE OF VALUE AND ITS DEFINITION

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

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

III. VALUATION ASSUMPTIONS OF THE INCOME APPROACH**(I) General Assumptions**

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuation professionals estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open market assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.

3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the Evaluated Entity can continue based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of China ENFI Engineering Co., Ltd. and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.

7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. After the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. It is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. It is assumed that the evaluated entity would continue to be recognized as a High and New Technology Enterprise and thus continue to enjoy a preferential corporate income tax rate of 15%.
12. It is assumed that the evaluated entity can renew the lease of its business premises on the same market conditions upon the expiration of the current lease term, and that changes in office and business premises will not exert a significant impact on its production and operations.
13. The valuation scope is based on the range of assets provided by the client. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in this valuation.
14. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

IV. SPECIFIC FORM OF THE INCOME APPROACH

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

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

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

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

(I) Value of Operating Assets

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

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

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

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

(III) Discount Rate

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

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

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

D: Target debt value of the valuation object;

Re: Expected rate of return on equity;

Rd: Expected rate of return on debt;

T: The applicable enterprise income tax rate.

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

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

Wherein: Rf – Risk-free interest rate;

β – Equity systematic risk adjustment coefficient;

Rm-Rf – Market risk premium;

α : Company-specific risk adjustment factor.

(IV) Income Period

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

(V) Valuation Calculation Formula for the Income Approach

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

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

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

A_i = Free Cash Flow to the Firm during the detailed forecast period;

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

R – Discount rate;

n = Detailed forecast period;

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

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

V. FORECAST AND ESTIMATION PROCESS OF THE INCOME APPROACH VALUATION

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

(I) Forecast of Operating Income and Costs

1. Forecast of Main Business Revenue

China ENFI Engineering Design and Supporting Engineering Services ranked first in the non-ferrous metal industry in all its sub-businesses in 2025.

The enterprise has sufficient ongoing orders. In the past two and a half years, China ENFI non-ferrous metallurgy business has signed new contracts worth 43.115 billion yuan. Mainly distributed in domestic provinces such as Xinjiang, Shandong, Qinghai, and Henan, as well as in foreign countries such as Indonesia and the Democratic Republic of Congo.

China ENFI has formulated the 2025 budget and conducted analytical research and judgment for 2026–2027. The 2025 main business revenue forecast is based on the actual completion performance of the current year and the execution progress of ongoing orders; the 2026 main business revenue forecast is made through analysis of the status of ongoing projects; the 2027 main business revenue forecast is developed on the basis of the previous year, taking into account potential new orders. Starting from 2028, due to the long time span from the current date, the main business revenue forecast is be conducted based on market trend judgment. The forecasts for the main business income for 2025 and the subsequent five years are as follows:

Year/Item	2025	2026	2027	2028	2029	2030
Main Business Revenue						
(in RMB 10000)	674,430.55	576,000.00	661,000.00	719,000.00	758,000.00	790,000.00

Note: The 2025 operating revenue includes 445,440.70 (in RMB10000) from the historical period of January to July and 228,989.85 (in RMB10000) from the forecast period of August to December.

Based on the forecast data, China ENFI's revenue growth rates from 2026 to 2030 are projected to be -14.6%, 14.8%, 8.8%, 5.4%, and 4.2%, respectively. Starting from 2031, the revenue is expected to remain stable with no further growth. The decline in revenue in 2026 is primarily due to the substantial completion of certain large-scale EPC projects by 2025, with no projects of comparable scale expected to be executed in 2026. For instance, a lead-zinc smelting project is projected to recognize revenue of RMB 2.2 billion in 2025 and RMB 1.2 billion in 2026. Two Indonesian projects are expected to recognize revenue of RMB 1.653 billion in 2025 and RMB 500 million in 2026. China ENFI is currently pursuing several large-scale projects (with a total contract value of approximately RMB 20 billion) that are expected to commence in 2027, leading to a significant year-over-year revenue growth of 14.8% in 2027. In 2028, as the execution of these large projects progresses, the scale of annual new revenue is anticipated to decrease, resulting in a lower growth rate of 8.8% compared to 2027. In the later forecast period, taking into account China ENFI's compound annual revenue growth rate of 7.4% from 2022 to 2026, and considering the trend of slowing growth as the revenue base expands, the revenue growth rates for 2029 and 2030 are projected to be 5.4% and 4.2%, respectively.

2. *Forecast of Main Business Costs*

The composition of main business costs corresponds to that of main business income, mainly including labor costs, equipment procurement costs, domestic construction costs, service fees, and other expenses.

The company's gross profit margin remains relatively stable. The forecasted main business operating costs are primarily based on the gross profit levels observed in the main business over the past two years, the historical composition of main business costs, and the projected revenue trends of each main business segment. During the forecast period, the company's main business gross margin is expected to remain relatively stable.

3. *Forecast of Other Business Income and Expenses*

China ENFI has no historical records of other business income and expenses, and there will be no relevant forecasts for other business income and expenses in the future.

(II) Forecast of Taxes and Surcharges

The turnover taxes involved in various income items of China ENFI are mainly value-added tax (VAT). In accordance with the *Announcement on Policies Related to Deepening VAT Reform* (Announcement [2019] No. 39 of the Ministry of Finance, State Taxation Administration, and General Administration of Customs), starting from April 1, 2019, for general VAT taxpayers engaged in taxable sales activities or importing goods, the original VAT rate of 16% has been adjusted to 13%, and the original rate of 10% has been adjusted to 9%. The output VAT rates applicable to the enterprise's businesses are 13%, 9%, and 6% respectively. Specifically, the output VAT rate for construction business is 9%; for domestic sales business, it is 13%; for domestic technical design and consulting services, it is 6%; and no VAT is levied on overseas income.

Among the taxes and surcharges, the education surcharge and local education surcharge are accrued at 3% and 2% respectively based on the actually paid VAT. The urban maintenance and construction tax is accrued at 7% of the actually paid VAT.

The stamp duty is accrued at 0.03% based on the sales income as well as the procurement costs of equipment and services.

The vehicle and vessel tax is levied in accordance with the type, performance indicators and other relevant factors of vehicles and vessels. As the enterprise has no plans to add new vehicles or vessels, the amount of vehicle and vessel tax remains stable.

(III) Forecast of Sales Expenses

The sales expenses of China ENFI mainly include employee compensation, business expenses, travel expenses, office expenses, consulting fees, and rental fees.

For employee compensation, the forecast is made based on the number of sales personnel and the salary growth level.

For rental fees, the forecast is conducted in accordance with the enterprise's actual lease contract terms, and a stable forecast will be maintained after the expiration of the lease term.

For travel expenses, business expenses, office expenses, consulting fees and other related expenses, the calculation is based on the average level over the past three years.

(IV) Forecast of Management Expenses

The management expenses of China ENFI mainly consist of employee compensation, rental fees, office expenses, consulting fees, depreciation and amortization expenses, etc.

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

For employee compensation, the forecast is made based on the number of management personnel and the salary growth level.

For rental fees, the forecast is conducted in accordance with the enterprise's actual lease contract terms, and a stable forecast will be maintained after the expiration of the lease term.

For office expenses, consulting fees and other similar expenses, the calculation is based on the average level over the past three years.

(V) Forecast of R&D Expenses

The R&D expenses of China ENFI include labor costs, equipment procurement fees, material costs, travel expenses, depreciation and amortization, etc. Wherein: For depreciation and amortization, the forecast is made in accordance with the existing depreciation and amortization policies, taking into account the corresponding capital expenditures. For employee compensation, the forecast is based on the salary and welfare standards for R&D personnel, with a certain level of growth factored in according to future trends. For equipment procurement fees, material costs and other related expenses, a stable forecast is maintained in line with the enterprise's operational scale.

(VI) Forecast of Financial Expenses

According to the accounting content of the evaluated entity's financial expenses, the financial expenses mainly include interest income, handling fees, exchange losses, and others.

Interest Expenses: The enterprise relies on bank loans for operating capital turnover. The interest expenses are forecast based on the bank credit lines, with the loan scale and interest rate maintained at the level as of the valuation date.

Interest Income: The funds surplus to operational needs have been identified as redundant monetary funds as of the valuation date, so no forecast for interest income is made.

Handling Fee Expenses: Forecast to remain stable.

Exchange Losses and Others: These are of an occasional nature and are not included in the forecast.

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

Other Income: Consists of the refund of individual income tax handling fees. In this valuation, the forecast is made based on the actual amount of refund for withholding income tax obtained by the enterprise.

Investment Income: Refers to dividends from subsidiaries. In this valuation, long-term equity investments are added back as separately valued assets, and no profit forecast is involved.

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

(VIII) Forecast of Non-operating Income and Expenses

In the past two years, the non-operating income and expenses of China ENFI were other sporadic income and confiscatory expenditures, etc. For non-operating income and expenses that have actually occurred before September of the current year, the forecast is made based on the actual figures. For other periods, since non-operating income and expenses are contingent, no forecast is made for the non-operating income and expenses in the forecast years in this valuation.

(IX) Forecast of Income Tax Expenses

Enterprise income tax is a tax levied on the production and business income as well as other income of domestic enterprises and business units in China. The *Enterprise Income Tax Law of the People's Republic of China* stipulates that the general enterprise income tax rate is 25%. Since the enterprise is a high-tech enterprise, the enterprise income tax rate is forecasted to be calculated and paid at 15% in this valuation. And the tax payment shall be adjusted according to the following policies:

1. Pursuant to the newly revised *Regulations for the Implementation of the Enterprise Income Tax Law of the People's Republic of China*, the business reception expenses incurred by the company in connection with its production and business activities shall be deducted at 60% of the actual amount incurred, with the maximum deduction not exceeding 5% of the current year's sales (operating) income. Based on this provision, the company's annual taxable income shall be increased by 40% of the business reception expenses incurred each year.
2. Additional deduction of R&D expenses: In accordance with the *Announcement on Policies for Further Improving the Pre-tax Additional Deduction of R&D Expenses* (2023 No. 7) issued by the State Taxation Administration, for the actual R&D expenses incurred by enterprises in carrying out R&D activities that are not capitalized as intangible assets and are included in current profits and losses, on the basis of actual deduction in accordance with relevant provisions, an additional 100% of the actual amount incurred shall be deducted before tax starting from January 1, 2023.

(X) Forecast of Depreciation and Amortization

The fixed assets of China ENFI mainly consist of machinery and equipment as well as electronic equipment. No intangible assets are recorded in the accounting books, and the long-term deferred expenses refer to building rental fees. In this valuation, on the basis of estimating the depreciation amount for the future operating period according to the company's fixed asset depreciation policy, using the book original value as of the valuation date, the expected service life, the depreciation rate and other factors, the forecast of the company's fixed asset depreciation for future years is made by considering factors such as the increase in the annual depreciation amount of the company's fixed assets in the future due to capital investment in future years, and the decrease in the annual depreciation amount of the company's fixed assets in the future due to the elimination of old fixed assets. In accordance with the company's amortization policy for long-term deferred expenses, the forecast of the company's annual amortization amount for future years is conducted on the basis of estimating the amortization amount for the future operating period with reference to the original book value of long-term deferred expenses as of the valuation date and their estimated useful life.

(XI) Forecast of Capital Expenditures

Capital expenditures refer to the expenditures incurred by an enterprise for the purchase and construction of fixed assets or other non-current assets to maintain its operations. The fixed assets of China ENFI mainly consist of machinery and equipment as well as electronic equipment. No intangible assets are recorded in the accounting books, and the long-term deferred expenses refer to building rental fees. Based on the premises and foundations of the income forecast, and in combination with the historical capital expenditures incurred by the enterprise for asset renewal and capacity expansion, the future capital expenditures are estimated.

Capital investment will increase the enterprise's annual fixed asset depreciation amount and annual intangible asset amortization amount in the future, but obsolete assets will also be withdrawn. Eventually, this will achieve a balanced state where capital expenditures are matched with fixed asset depreciation, intangible asset amortization, and long-term deferred expense amortization. Capital expenditures are an overall matching forecast made by factors such as comprehensively considering fixed asset depreciation and intangible asset amortization, and no detailed forecast will be made any longer.

(XII) Forecast of Working Capital

The increase in working capital refers to the additional operating capital that an enterprise needs to invest to maintain normal operations without changing the current operating and production conditions. For example, the basic funds required for maintaining cash for normal operations, the purchase of product inventory, the advance payment for purchases on behalf of clients (receivables), as well as the payable amounts, etc. The increase in working capital refers to the cash occupied by obtaining commercial credit from others, the cash and inventory maintained for normal operations, etc., as the enterprise's business activities change; At the same time, in economic activities, providing commercial credit can reduce the immediate payment of cash accordingly.

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

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

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

The change in working capital as defined in this report is: $\text{Change in working capital} = \text{Current period working capital} - \text{Previous period working capital}$.

(XIII) Determination of Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm.

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

1. Determination of the Cost of Equity Capital (Re)

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

The determination process for each parameter involved in the Capital Asset Pricing Model (CAPM) formula is elaborated on separately as follows:

(1) Risk-Free Rate of Return (Rf)

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

(2) Company's Systematic Risk Factor (β_e)

β_e is an indicator used to measure the systematic risk of a company. In this valuation, since China ENFI is a non-listed company, asset valuation professionals cannot directly obtain its beta value. Instead, they need to indirectly determine China ENFI's beta value through the analysis of domestic listed companies. The asset valuation professionals have conducted research on the Shanghai and Shenzhen Stock Exchanges.

In light of the business status and operational characteristics of the evaluated entity, asset valuation professionals have retrieved the β_e values of 12 comparable listed companies on the Shanghai and Shenzhen A-shares through the iFinD Information System. After adjustment, the adjusted β_e values were obtained, which were then converted into β_u values based on the income tax rates and capital structures of these comparable listed companies.

No.	Stock Code	Stock Name	Original BETA	Adjusted BETA	Capital Structure (D/E)	Income Tax Rate	Calculated Unlevered Beta
1	600629. SH	Arcplus Group PLC	1.1469	1.0984	19.70%	25.00%	0.9570
2	600720. SH	CCCC Design & Consulting	0.8977	0.9315	13.11%	25.00%	0.8481
3	603357. SH	Anhui Transport Consulting & Design Institute Co., Ltd.	0.8788	0.9188	8.29%	15.00%	0.8583
4	603458. SH	Guizhou Transportation Planning Survey & Design Academe Co., Ltd.	0.7097	0.8055	58.57%	15.00%	0.5378
5	603637. SH	ZPEC	0.8096	0.8724	0.00%	15.00%	0.8724
6	002116. SZ	HAISUM	0.8533	0.9017	0.77%	15.00%	0.8959
7	002883. SZ	Zhongshe Group	0.7702	0.8460	4.71%	15.00%	0.8135
8	300284. SZ	JSTI	1.1776	1.1190	27.12%	15.00%	0.9094
9	301167. SZ	AADRI	0.8310	0.8868	2.16%	15.00%	0.8707
10	300746. SZ	Hanjia Design	1.0133	1.0089	12.64%	15.00%	0.9111
11	301505. SZ	SZPD	1.4393	1.2943	3.27%	15.00%	1.2593
12	301027. SZ	Hualan Group	1.0331	1.0222	13.39%	25.00%	0.9289
		Arithmetic Mean			13.64%		0.8885

Finally, asset valuation professionals obtained the average unleveraged equity beta value of 12 sample companies as 0.8885. Subsequently, asset valuation professionals can calculate the enterprise beta value used this time:

$$\beta_e = \beta_u \times \frac{E + D(1-T)}{E}$$

Wherein: D/E was determined based on the industry capital structure; T denotes the enterprise's income tax rate. Based on these parameters, the projected levered equity beta value of the enterprise was estimated to be 0.9916.

(3) *Market Risk Premium (Rm – Rf)*

(Rm-Rf) is the market risk premium, which refers to the expected excess return required by investors for equity investments with the same risk as the overall market, i.e., the risk premium exceeding the risk-free rate.

The market investment return rate was calculated by averaging the annualized rates of return based on the closing prices of the CSI 300 Index on the Shanghai Stock Exchange and Shenzhen Stock Exchange. After calculation, the market investment return rate for 2025 stood at 9.39%.

The market risk premium equals the difference between the market investment return rate and the risk-free rate of return. As of July 31, 2025, the risk-free rate of return was set at 2.84%, which is the yield to maturity of national bonds with a remaining term of over 10 years as of the valuation date. Accordingly, the market risk premium as of July 31, 2025, was calculated to be 6.55%.

(4) *Company-specific Risk Adjustment Factor (α)*

The company-specific risk adjustment factor is an adjustment for the differences in advantages and disadvantages formed between the evaluated enterprise and the selected comparable companies in terms of enterprise scale, management capability, current development stage, client concentration, etc. Explanation of the Value Assignment for Each Risk Adjustment Factor:

1) Enterprise Scale

As of the valuation date, the total assets of the evaluated entity amount to RMB8.5 billion, while the total asset scale of the comparable listed companies ranges from RMB800 million to RMB30.8 billion. Therefore, compared with the comparable companies, the evaluated entity holds a medium asset scale and has no disadvantages in terms of industry competition, resistance to operational risks, etc. The specific risk adjustment factor for this aspect is set at 0%.

2) Operational and Management Capabilities

All comparable companies are listed entities, whereas the evaluated entity is a non-listed enterprise. There is a certain gap in operational and management capabilities between the evaluated entity and the comparable companies, which feature more sound internal controls, a more professional management team, and more mature corporate culture development. Therefore, compared with its comparable companies, the evaluated entity has certain deficiencies in operational and management capabilities, and faces higher operational and management risks. The specific risk adjustment factor for this aspect is set at 1.0%.

3) Current Development Stage

The business development of the evaluated entity has certain disadvantages compared with that of the listed comparable companies. Therefore, compared with the comparable companies, the specific risk adjustment factor for this aspect is set at 1.0%.

4) Market Risks Such as Client Concentration

The client concentration of the evaluated entity is relatively higher than that of the comparable companies. Therefore, the evaluated entity faces higher client concentration risk, and the specific risk adjustment factor for this aspect is set at 0.5%.

The total company-specific risk adjustment factor (α) is set at 2.5%.

$$\begin{aligned} R_e &= R_f + \beta_e (R_m - R_f) + \alpha \\ &= 2.84\% + 0.9916 \times 6.55\% + 2.5\% \\ &= 11.83\% \end{aligned}$$

2. *Determination of the Cost of Debt (Rd)*

The income approach valuation is based on expectations for the future, and the selected parameters shall be reasonable estimates subsequent to the valuation date. In this valuation, the average interest rate of the enterprise's long-term borrowings at the actual interest rate as of the valuation date is adopted. Therefore, the cost of debt (Rd) is set at 2.22%.

3. *Determination of the Debt-to-Equity Ratio (D/E)*

Wherein, D represents the value of the enterprise's interest-bearing debt, and E represents the value of the enterprise's shareholders' equity value. Referring to the capital structure of the industry, the projected debt-to-equity ratio (D/E) for this valuation is set at 13.64%.

4. *Determination of Discount Rates*

Based on the calculation results of the above data, the Weighted Average Cost of Capital (WACC) is computed as follows:

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

$$= 10.64\%$$

The discount rate for China ENFI is ultimately determined to be 10.64%.

(XIV) Discount Calculation of Free Cash Flow to the Firm**1. *Estimation of the Value of Operating Assets***

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

$$\text{Discount factor for 2025} = 1 \div (1 + \text{Annual discount rate})^{((12 - 7)/2/12)}$$

$$\text{Discount factor for 2026 (considering mid-period adjustment)} = 1 \div (1 + \text{Annual discount rate})^{((5 + 6)/12)}$$

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

The current income multiplied by the current discount factor is converted into present value. Asset valuation professionals reasonably assume that the free cash flow to the firm will remain stable from 2031 onwards and the enterprise will operate indefinitely. The annual free cash flow to the firm can be capitalized into the value as of mid-2030 using the discount rate, and then converted into the value as of the valuation date. By summing up the free cash flows to the firm converted to the valuation date, the valuation value of the enterprise's operating assets within the scope of the income approach calculation for China ENFI derived from the income approach valuation is RMB1,685,856,900.

2. Non-operating Assets/Surplus Assets

After analysis, the net amount of surplus, non-operating assets and liabilities of China ENFI as of the valuation date is the sum of surplus assets and non-operating assets and liabilities, totaling RMB5,893,496,800. Among them, the valuation method for long-term equity investments is as follows:

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

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

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

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

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

3. Interest-Bearing Debt

As of the valuation date, the interest-bearing debt of China ENFI amounts to RMB350,000,000.

4. Income Approach Valuation Result

In summary, the total value of surplus, non-operating assets and liabilities is RMB5,893,496,800, and the interest-bearing debt is RMB350,000,000. By adjusting the assessed value of China ENFI's operating assets (RMB1,685,856,900) within the income approach calculation scope with the above figures (adding the total value of redundant and non-operating assets and liabilities and subtracting the interest-bearing debt), the shareholders' total equity valuation value of China ENFI is determined to be RMB7,229,353,700.

Income Approach Calculation Sheet for the Valuation of Shareholders' Total Equity Value*Monetary Unit: RMB10,000*

Project/Year	August – December						Stabilization Period	Remarks
	2025	2026	2027	2028	2029	2030		
I. Operating income	228,989.85	576,000.00	661,000.00	719,000.00	758,000.00	790,000.00	790,000.00	Refer to V. (I) Forecast of Operating
Wherein: Main business income	228,989.85	576,000.00	661,000.00	719,000.00	758,000.00	790,000.00	790,000.00	Revenue and Costs for detailed
Other business income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	calculation logic
II. Operating costs	190,149.13	509,169.92	587,411.17	641,086.99	676,243.29	703,483.32	703,483.32	
Wherein: Main business costs	190,149.13	509,169.92	587,411.17	641,086.99	676,243.29	703,483.32	703,483.32	
Other business costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Taxes and surcharges	108.81	291.74	497.62	771.99	807.47	841.73	841.73	Refer to V. (II) Forecast of Taxes and
								Surcharges for detailed calculation logic
Sales expenses	6,148.12	8,720.92	10,040.97	10,951.05	11,455.69	12,085.60	12,085.60	Refer to V. (III) Forecast of Selling
								Expenses for detailed calculation logic
Management expenses	9,922.03	19,592.94	19,591.70	19,584.35	19,578.89	19,570.85	19,570.85	Refer to V. (IV) Forecast of Administrative
								Expenses for detailed calculation logic
R&D expenses	12,884.11	30,164.41	31,560.84	31,937.57	33,425.40	34,575.62	34,575.62	Refer to V. (V) Forecast of R&D Expenses
								for detailed calculation logic
Financial expenses	373.75	977.00	977.00	977.00	977.00	977.00	977.00	Refer to V. (VI) Forecast of Financial
								Expenses for detailed calculation logic
Plus: Other revenue	60.00	110.00	110.00	110.00	110.00	110.00	110.00	Refer to V. (VII) Forecast of Other Income,
Investment income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Investment Income, and Impairment
Credit impairment loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Losses for detailed calculation logic
Asset impairment loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

APPENDIX V-D
**SUPPLEMENTARY INFORMATION TO
THE VALUATION REPORT OF NON-FERROUS ENGINEERING**

Project/Year	August – December		2027	2028	2029	Stabilization		Remarks
	2025	2026				2030	Period	
III. Operating Profit	9,463.90	7,193.07	11,030.70	13,801.05	15,622.26	18,575.88	18,575.88	
Plus: Non-operating income	6.57	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (VIII) Forecast of Non-operating
Minus: Non-operating expenses	0.03	0.00	0.00	0.00	0.00	0.00	0.00	Income and Expenses for detailed calculation logic
IV. Total Profit	9,470.44	7,193.07	11,030.70	13,801.05	15,622.26	18,575.88	18,575.88	
Minus: Income tax expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (IX) Forecast of Income Tax Expense for detailed calculation logic
V. Net Profit	9,470.44	7,193.07	11,030.70	13,801.05	15,622.26	18,575.88	18,575.88	
Plus: Depreciation	929.80	2,347.37	2,457.71	2,330.40	2,336.99	2,244.39	2,244.39	Refer to V. (X) Forecast of Depreciation
Amortization	224.11	544.34	590.36	617.57	600.71	592.74	592.74	and Amortization for detailed calculation logic
Interest expenses (after tax effect)	323.75	777.00	777.00	777.00	777.00	777.00	777.00	
Deductible value-added tax	2,162.88	2,844.40	1,732.63	0.00	0.00	0.00	0.00	
Minus: Additional working capital investment	13,062.32	27,698.34	-15,162.81	-10,382.82	-6,849.35	-5,504.87	0.00	Refer to V. (XII) Forecast of Working Capital for detailed calculation logic
Minus: Capital expenses	1,000.00	2,600.00	2,600.00	2,600.00	2,600.00	2,600.00	2,837.13	Refer to V. (XI) Forecast of Capital Expenditures for detailed calculation logic
VI. Free Cash Flow to the Firm	-951.34	-16,592.16	29,151.21	25,308.84	23,586.31	25,094.88	19,352.88	
1. Annual discount rates	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%	10.64%	Refer to V. (XI) Forecast of Capital Expenditures for detailed calculation logic
2. Discount period	0.2083	0.9167	1.9167	2.9167	3.9167	4.9167		
3. Discount factor	0.9792	0.9115	0.8238	0.7446	0.6730	0.6083		
4. Present value of free cash flow	-931.55	-15,123.75	24,014.77	18,844.96	15,873.59	15,265.22	110,642.45	
5. Cumulative present value of free cash flow	-931.55	-16,055.30	7,959.47	26,804.43	42,678.02	57,943.24	168,585.69	
6. Discounted valuation value of free cash flow to the firm	168,585.69							
8. Interest-bearing liabilities						35,000.00		
7. Plus: Enterprise redundant and non-operating assets	589,349.68					722,935.37		
9. Total equity valuation value of the enterprise's shareholders								

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

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

- 5.** The shareholders' total equity value of China ENFI, as of the valuation dates (July 31, 2025), determined using the income approach, and is RMB7,229,353,700.

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

Asset Valuation Report

**on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd.
Involved in the Metallurgical Corporation of China Ltd.'s
Proposed Transfer of Subsidiary Equity**

ZSZYPB [2025] No. 010161

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

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

STATEMENT

- I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.
- II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.
- III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.
- VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.
- VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.
- VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd.

Involved in the Metallurgical Corporation of China Ltd.'s

Proposed Transfer of Subsidiary Equity

ZSZYPB Zi [2025] No. 010161

SUMMARY

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

- I. Valuation Purpose:** According to the *Resolution of the Board of Director of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. intends to transfer equity involving MCC Tongsin Resources Ltd. as part of a subsidiary equity transfer. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to value the market value of the entire equity interest of the shareholders of MCC Tongsin Resources Ltd. involved in the aforementioned economic activity, to serve as a value reference for this economic activity.
- II. Valuation Object and Scope:** The valuation object is the entire equity value of the shareholders of MCC Tongsin Resources Ltd. The valuation scope covers all assets and liabilities of MCC Tongsin Resources Ltd. As of the valuation date, July 31, 2025, the company's total assets had a book value of RMB4,591.6303 million, total liabilities had a book value of RMB266.1950 million, and net assets had a book value of RMB4,325.4353 million.
- III. Base of Value:** The base of value for the conclusion in this Asset Valuation Report is market value.
- IV. Valuation Date:** July 31, 2025.
- V. Valuation Method:** Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the income approach.

- VI. Valuation Conclusion:** The valuation determined that as of the valuation date, July 31, 2025, the assessed market value of the shareholders' entire equity valuation value of MCC Tongsin Resources Ltd. was RMB12,240.7206 million. In words: RMB Twelve Billion Two Hundred and Forty Million Seven Hundred and Twenty Thousand Six Hundred Only.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

- VII. Special Matters Affecting the Valuation Conclusion:** Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd. Involved in the Metallurgical Corporation of China Ltd.'s Proposed Transfer of Subsidiary Equity

ZSZYPB Zi [2025] No. 010161

TEXT

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to value the market value of the shareholders' entire equity interest of the shareholders of MCC Tongsin Resources Ltd. involved in the Metallurgical Corporation of China Ltd.'s proposed transfer of subsidiary equity as of the valuation date, July 31, 2025. This was conducted in accordance with laws and administrative regulations, adhering to the principles of independence, objectivity, and impartiality, employing both the asset-based approach and the income approach, and following necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. OVERVIEW OF THE CLIENT AND THE EVALUATED ENTITY

(I) Overview of the Client

Company Name:	Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")
Unified Social Credit Code:	91110000710935716X
Registered Address:	No. 28 Shuguang Xili, Chaoyang District, Beijing
Legal Representative:	Chen Jianguang
Registered Capital:	RMB20,723,619,170
Enterprise Type:	Joint Stock Limited Company (Listed, State-Controlled)
Date of Establishment:	December 1, 2008
Business Term:	December 1, 2008 to No Fixed Term

Business Scope:

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

(II) Overview of the Evaluated Entity**1. Basic Information of the Enterprise**

Company Name:	MCC Tongsin Resources Ltd. (Hereinafter referred to as “MCC Tongsin”)
English Name:	MCC TONGSIN RESOURCES LTD.
Registration Certificate No.:	1380325
Registered Address:	British Virgin Islands
Registered Capital:	USD934.60 million
Date of Establishment:	January 18, 2007

MCC Tongsin Resources Ltd. is a wholly-owned subsidiary of Metallurgical Corporation of China Ltd., approved by the Ministry of Commerce of the People's Republic of China and incorporated in the British Virgin Islands. It is a key subsidiary under the Fortune Global 500 company – China Minmetals Corporation and Metallurgical Corporation of China Ltd. MCC Tongsin is an international nonferrous mining enterprise focused primarily on the development of mineral resources such as copper, gold, lead, and zinc. Its operations integrate resource exploration, investment and development, production operations, and mining services. Currently, it operates and owns three medium to large-scale copper mines: Saindak, Siaddik, and Aynak in Pakistan and Afghanistan, respectively, and is developing the Asmara Project in Eritrea.

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

As of the valuation date of July 31, 2025, MCC Tongsin's equity was 100% held by MCC:

Serial Number	Shareholder Name	Registered Capital (USD10,000)	Paid-in Capital (USD10,000)
1	Metallurgical Corporation of China Ltd.	93,460.00	53,004.52
Total	–	93,460.00	53,004.52

3. *Historical Evolution of the Evaluated Entity*

In 2006, approved by the Ministry of Commerce of the People's Republic of China, China Metallurgical Group Corporation was permitted to invest and establish the overseas entity MCC Tongsin Resources Ltd. in the British Virgin Islands. The registered capital of the evaluated entity was USD12.50 million, 100% held by Metallurgical Corporation of China Ltd.

Changes in Paid-in Capital and Registered Capital:

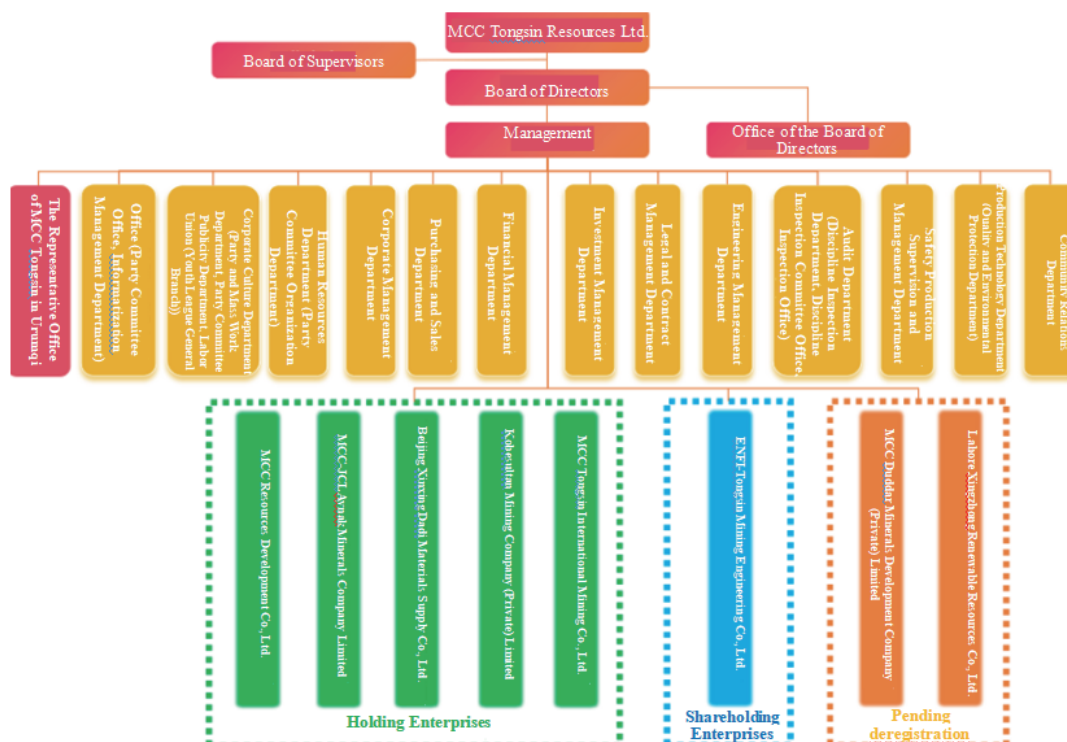
Investment Time	Name of Contributor	Registered Capital (USD10,000)	Paid-in Capital (USD10,000)
January 2007	Metallurgical Corporation of China Ltd.	1250.00	1250.00
December 2008	Metallurgical Corporation of China Ltd.		2564.30
December 2009	Metallurgical Corporation of China Ltd.		492.06
February 2, 2010	Metallurgical Corporation of China Ltd.		5000.00
December 17, 2010	Metallurgical Corporation of China Ltd.		881.00
Mar 11, 2011	Metallurgical Corporation of China Ltd.		4902.50
August 3, 2011	Metallurgical Corporation of China Ltd.		523.00
October 1, 2011	Metallurgical Corporation of China Ltd.		7977.90
March 12, 2012	Metallurgical Corporation of China Ltd.		1953.63
Mar 21, 2012	Metallurgical Corporation of China Ltd.		3761.17
Jun 6, 2012	Metallurgical Corporation of China Ltd.		975.00
Jul 12, 2012	Metallurgical Corporation of China Ltd.		701.00
Jul 16, 2013	Metallurgical Corporation of China Ltd.		515.25
December 12, 2013	Metallurgical Corporation of China Ltd.		9220.12
February 13, 2014	Metallurgical Corporation of China Ltd.		1212.00
October 21, 2014	Metallurgical Corporation of China Ltd.		470.64
August 17, 2017	Metallurgical Corporation of China Ltd.		229.50
November 3, 2017	Metallurgical Corporation of China Ltd.		77.25

Investment Time	Name of Contributor	Registered Capital (USD10,000)	Paid-in Capital (USD10,000)
May 15, 2019	Metallurgical Corporation of China Ltd.		277.50
October 28, 2020	Metallurgical Corporation of China Ltd.		262.50
June 25, 2021	Metallurgical Corporation of China Ltd.		592.50
November 29, 2022	Metallurgical Corporation of China Ltd.		525.00
November 14, 2023	Metallurgical Corporation of China Ltd.		1,588.51
December 8, 2023	Metallurgical Corporation of China Ltd.	92210.00	
December 30, 2024	Metallurgical Corporation of China Ltd.		2,657.19
January 20, 2025 and January 21, 2025	Metallurgical Corporation of China Ltd.		4,395.00
Total		93,460.00	53,004.52

As of the valuation date of July 31, 2025, the equity structure and contribution details of MCC Tongsin have remained unchanged.

4. Enterprise Organizational Structure

The organizational chart of MCC Tongsin is as follows:



5. Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years

As of the current valuation date, according to the audit conducted by Baker Tilly China Certified Public Accountants (Special General Partnership), the parent company statements of MCC Tongsin showed total assets with a book value of RMB4,591.6303 million, total liabilities with a book value of RMB266.1950 million, and net assets with a book value of RMB4,325.4353 million. The consolidated statements showed total assets with a book value of RMB6,706.7518 million, total liabilities with a book value of RMB1,608.7742 million, and net assets with a book value of RMB5,097.9776 million. The primary assets and operating conditions of MCC Tongsin as of the valuation date and for the preceding three years are presented in the following table:

**Overview of Financial Position and Operating Performance as of the Valuation
Date and for the Preceding Three Years (Parent Company Statements)**

Monetary Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	346,951.20	387,482.80	423,618.69	459,163.03
Total Liabilities	24,589.43	39,950.39	41,532.13	26,619.50
Net Assets	<u>322,361.76</u>	<u>347,532.41</u>	<u>382,086.57</u>	<u>432,543.53</u>
Item	2022	2023	2024	January-July 2025
Operating Revenue	719.21	899.71	8,836.52	1,641.74
Operating Costs	60.91	63.81	1,276.35	39.89
Operating Profit	20,906.90	13,344.84	17,210.07	21,165.18
Total Profit	20,977.27	13,344.32	17,217.04	21,165.18
Net Profit	<u>19,882.77</u>	<u>12,517.26</u>	<u>14,365.03</u>	<u>21,032.23</u>

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

Monetary Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	489,723.68	525,312.71	600,191.00	670,675.18
Total Liabilities	112,108.68	120,289.18	146,533.66	160,877.42
Net Assets	377,614.99	405,023.53	453,657.34	509,797.76
Total owner's equity attributable to the parent company	<u>361,210.34</u>	<u>383,818.19</u>	<u>431,450.34</u>	<u>481,639.12</u>

Item	2022	2023	2024	January-July 2025
Operating Revenue	150,770.49	178,074.06	246,686.25	179,248.94
Operating Costs	112,301.19	138,341.22	181,578.55	131,813.96
Operating Profit	13,756.49	12,543.60	31,351.00	21,290.93
Total Profit	13,452.37	12,583.69	31,386.48	21,279.92
Net Profit	11,455.71	10,532.55	27,514.72	20,946.01
Net profit attributable to the parent company	11,455.71	10,535.44	27,514.72	20,946.01
Audit situation	Grant Thornton Certified Public Accountants (Special General Partnership) issued audit report No. (ZTS Zi [2023] No. 110C015187)	Baker Tilly China Certified Public Accountants (Special General Partnership) issued audit report No. (TZY Zi [2024] No. 14414)	Baker Tilly China Certified Public Accountants (Special General Partnership) issued audit report No. (TZY Zi [2025] No. 40694)	Baker Tilly China Certified Public Accountants (Special General Partnership) issued audit report No. (TZY Zi [2025] No. 40694)
Type of audit report	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions

(II) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become users of this Valuation Report.

(III) Relationship between the Client and the Evaluated Entity

The client is the shareholder of the evaluated entity, MCC Tongsin, holding 100% of its equity.

II. VALUATION PURPOSE

According to the *Resolution of the Board of Director of China Minmetals Corporation (2025, 12th Meeting)*, the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. involves the equity of MCC Tongsin Resources Ltd. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to value the market value of the shareholders' entire equity interest of MCC Tongsin Resources Ltd. related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. VALUATION OBJECT AND SCOPE

(I) Valuation Object

The valuation object is the entire equity value of the shareholder of MCC Tongsin.

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

The valuation scope covers all assets and liabilities of MCC Tongsin as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the parent company statements showed total assets with a book value of RMB4,591.6303 million, total liabilities with a book value of RMB266.1950 million, and net assets with a book value of RMB4,325.4353 million.

The assets within the valuation scope include current assets and non-current assets. Current assets comprise monetary funds, accounts receivable, funds receivable for centralized management, and other receivables. Non-current assets comprise long-term equity investments, fixed assets, right-of-use assets, and intangible assets.

The liabilities within the valuation scope include current liabilities and non-current liabilities. Current liabilities comprise accounts payable, employee benefits payable, taxes payable, other payables, and non-current liabilities due within one year. Non-current liabilities comprise long-term payables and long-term employee benefits payable.

The book status of assets and liabilities is presented in the following table:

Monetary Unit: RMB10,000

Item	Book Value
Total Current Assets	197,992.52
Total Non-Current Assets	261,170.51
Including: Long-term Equity Investments	260,339.95
Investment Properties	–
Fixed Assets	602.11
Construction in Progress	–
Intangible Assets	111.65
Including: Intangible Assets – Land Use Rights	–
Other Non-Current Assets	116.80
Total Assets	459,163.03
Current Liabilities	20,195.79
Non-Current Liabilities	6,423.72
Total Liabilities	26,619.50
Owner's Equity (or Shareholders' Equity)	432,543.53

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

The above-mentioned entrusted valuation object and valuation scope are consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Monetary funds have a book value of RMB161.9560 million, accounting for 3.53% of the total assets at book value, and consist of cash, bank deposits, and other monetary funds.
2. Accounts receivable have a book value of RMB4.2640 million, accounting for 0.09% of the total assets at book value, and consist of receivables for goods sold and service fees.
3. Funds receivable for centralized management have a book value of RMB152.8875 million, accounting for 3.33% of the total assets at book value. These represent funds deposited with the MCC Capital Center.
4. Other receivables have a net book value of RMB1,660.8177 million, accounting for 36.17% of the total assets at book value. These primarily consist of intercompany balances, security deposits, and petty cash funds.
5. Long-term equity investments have a book value of RMB2,603.3995 million, accounting for 56.70% of the total assets at book value. These represent equity investments in 6 controlled subsidiaries and 2 equity-accounted associate companies.
6. Fixed assets have a total net book value of RMB6.0211 million, accounting for 0.13% of the total assets at book value. These primarily consist of buildings and electronic equipment. The buildings comprise 3 properties located in Karachi and Islamabad, all currently in normal use. The electronic equipment includes computers, printers, and other devices purchased for daily operational needs, all maintained and in normal working condition.
7. Right-of-use assets have a book value of RMB1.1680 million, accounting for 0.03% of the total assets at book value. These arose from the evaluated entity's lease of office space in the MCC Tower.
8. Intangible Assets have a book value of RMB1.1165 million, accounting for 0.02% of the total assets at book value. These consist of purchased office software by evaluated entity.

(IV) Types and Quantities of Off-Balance-Sheet Assets

None.

(V) Use of Expert Work**1. Use of professional reports**

The book value data of various assets and liabilities as of the valuation date in this valuation report are sourced from the standard unmodified opinion audit report TZS Zi [2025] No.40694 issued by Baker Tilly China Certified Public Accountants (Special General Partnership).

2. Reference to Individual Asset Valuation Reports

- (1) In this asset valuation, the mining rights listed under Serial Numbers 1, 2, and 3 of the intangible assets – mining rights details table of the subsidiary Kohesultan Mining Company (Private) Limited, reference the valuation conclusions from the *Valuation Report on the Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited Involved in Metallurgical Corporation of China Ltd.’s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.* issued by SinoValue Appraisal Co., Ltd. on December 3, 2025. The overview of this referenced report is as follows:

Item	Content
Report Name	Valuation Report on the Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited Involved in Metallurgical Corporation of China Ltd.’s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.
Report No.	ZSZYKP Zi [2025] No. 010014
Valuation Date	July 31, 2025

Item	Content
Valuation Purpose	As Metallurgical Corporation of China Ltd. intends to transfer equity in MCC Tongsin Resources Ltd., it commissioned SinoValue Assets Appraisal Co., Ltd. to conduct a value valuation of the “Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited” involved in this economic activity, with reference to China’s Mining Right Valuation Standards and in compliance with relevant laws and regulations.
Issuance Date of Report	December 3, 2025
Valuation Object	Mining Rights of Pakistan Siaddik Copper Mine of Kohesultan Mining Company (Private) Limited
Recorded Right Holder	Kohesultan Mining Company (Private) Limited
Valuation Method	Discounted cash flow method
Assumptions	(1) Relevant referenced policies, laws, and systems remain as they are without significant change; the referenced social, political, economic environments, as well as mining and processing technologies and conditions, remain as they are without significant change; (2) Compliance with geological principles and economic laws of resources; the reliability of mineral resources within the mining area and their internal/external conditions remain as they are without significant change; (3) Mine construction will be completed and put into operation as per the valuation’s established plan on schedule, and the existing mining license/mining lease can be successfully renewed upon expiry, continuing until the end of the assessed service life;

Item	Content
	(4) Operations will continue legally, based on the production methods, scale, product mix, development technology level, and market supply-demand level determined in the <i>Feasibility Study Report</i> ;
	(5) Variations in product prices, costs and expenses, tax rates, and interest rate factors during the mine development revenue period will be within a normal range;
	(6) The potential impact on the valuation value from possible encumbrances such as mortgages, guarantees, other property rights, any restrictions on ownership, or additional prices potentially offered by special transaction parties has not been considered;
	(7) No significant impact caused by other force majeure events or unforeseeable factors.
Notes for Special Matters	(1) Pakistan and China have different legal systems concerning mining, and the connotations of related glossaries or expressions also vary. The mining rights lease dated January 27, 2025, numbered "DG(MM)/LSM-ML-22/895-905" issued by the Balochistan Minerals and Mining Department in Pakistan referenced in this valuation report is referred to as a "Mining License" following domestic conventions, corresponding to the ownership of mining rights. Users of this report shall be aware of the many differences between Pakistan's mining policies and those of China, as well as how these differences may affect the understanding and application of this valuation report.

Item	Content
(2)	Validity Period of the Mining License According to the <i>Mining License</i> numbered “DG(MM)/LSM-ML-22/895-905” issued by the Balochistan Minerals and Mining Department, the validity period extends until January 26, 2055. The valuation object, the mining rights for the Siaddik Copper Mine in Balochistan Province, Pakistan, has an evaluated revenue period from 2029 to 2081. The conclusions of this valuation are based on the premise that the aforementioned mining license can be legally renewed upon expiry, and no consideration has been given to any potential costs associated with the renewal registration of the mining license upon expiration.
(3)	Technical Documentation Standards and Specifications Among the various professional reports utilized in this valuation report, the technical standards and specifications applied in the preparation of the resource reserve report (<i>Supplementary Exploration Report</i>) primarily adhere to China’s national standards and specifications. These include the Classifications for Mineral Resources and Mineral Reserves, General Requirements for Mineral Exploration, and Geological Exploration Specifications for Specific Mineral Types. The feasibility study report references relevant Pakistani laws, regulations, and provisions of mining contracts, while its design procedures and specifications comply with the relevant requirements of China and the Chinese nonferrous metals industry.

Item**Content**

- (4) Mine Construction Schedule In line with the requirements for enterprise value valuation and referencing the *Feasibility Study Report* prepared by the designer ENFI, as well as the mine construction plan formulated based on the company's valuation of the approvals or permits required for the development of the Siaddik Copper Mine and the progress of preliminary preparatory work, this valuation adjusts and determines the mine construction period to be 53 months (including a 17-month preliminary preparation phase). Specifically, from after the valuation date until December 2026 is designated as the mine construction preparation period; January 2027 to December 2028 is the Phase I mine construction period (2 years); and January 2028 to December 2029 is the Phase II mine construction period (2 years), with Phase I and Phase II overlapping by one year. Production will commence upon completion of Phase I construction, with the production period spanning from 2029 to 2081.

Due to the complexity of the relevant approval or permitting processes involved in mine construction (including but not limited to feasibility study reports, environmental impact assessments, land acquisition, etc.), there is a possibility that the project may not commence construction as scheduled, which could affect the timely completion and commissioning of the mine. Users of this valuation report are specifically advised to take note of this.

Item	Content
	(5) Utilization of Mine Design Documents The technical and economic parameters selected for this mining rights valuation are primarily based on values from the <i>Feasibility Study Report for the 60 Million Ton/year Mining and Processing Project of the Siaddik Copper Mine, Pakistan, of Kohesultan Mining Company (Private) Limited</i> prepared by China ENFI Engineering Corporation in December 2024. If, within the validity period of this valuation report, the mining enterprise prepares updated mine design documents such as a revised <i>Feasibility Study Report</i> involving significant adjustments to the corresponding parameters, or if future mine construction designs and actual production indicators differ substantially from the technical and economic parameters used in this valuation, thereby significantly impacting the valuation conclusions, then the conclusions of this valuation shall become invalid, and a new valuation should be commissioned. (6) Site Due Diligence Affected by the local security situation, this valuation did not include a site visit to the mineral property corresponding to the valuation object (the mining rights for the Siaddik Copper Mine). We conducted the site investigation work by analyzing valuation materials and conducting interviews with relevant personnel. Based on our analysis, we believe this matter does not significantly impact the reasonableness of the valuation conclusions.
Valuation Value	RMB7,858.1495 million

- (2) In this asset valuation, the valuation values of mining rights listed under Serial Number 1 and capitalized interest listed under Serial Number 2 in the intangible assets – mining rights schedule of the subsidiary MCC-JCL Aynak Minerals Company Limited, in this asset valuation, reference the valuation conclusions from the *Valuation Report on the Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited Involved in Metallurgical Corporation of China Ltd.’s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.* issued by SinoValue Appraisal Co., Ltd. on December 3, 2025. The overview of this referenced report is as follows:

Item	Content
Report Name	Valuation Report on the Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited Involved in Metallurgical Corporation of China Ltd.’s Proposed Transfer of Equity in MCC Tongsin Resources Ltd.
Report No.	ZSZYKP Zi [2025] No. 010013
Valuation Date	July 31, 2025
Valuation Purpose	As Metallurgical Corporation of China Ltd. intends to transfer equity in MCC Tongsin Resources Ltd., it commissioned SinoValue Assets Appraisal Co., Ltd. to conduct a value valuation of the “Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited” involved in this economic activity, with reference to China’s Mining Right Valuation Standards and in compliance with relevant laws and regulations.
Issuance Date of Report	December 3, 2025
Valuation Object	Mining Rights of the Aynak Copper Mine, Afghanistan of MCC-JCL Aynak Minerals Company Limited
Recorded Right Holder	MCC-JCL Aynak Minerals Company Limited
Evaluation Method	Discounted cash flow method

Item	Content
Assumptions	(1) Relevant policies, laws, and systems of the project host country remain as they are without significant change; the referenced social, political, economic environments, as well as mining and processing technologies and conditions, remain as they are without significant change; (2) The reliability of mineral resources within the mining area and their internal/external conditions remain as they are without significant change; (3) Mine construction will be completed and put into operation as per the valuation's established production schedule on schedule, and the future mining license can be successfully renewed upon expiry, continuing until the end of the assessed service life; (4) Operations will continue legally, based on the production methods, scale, product mix, development technology level, and market supply-demand level determined in the feasibility study design plan; (5) Variations in product prices, costs and expenses, tax (fee) rates, and interest rate factors during the future mine development revenue period will be within a normal range; (6) The potential impact on the valuation value from possible encumbrances such as mortgages, guarantees, other property rights, any restrictions on ownership, or additional prices potentially offered by special transaction parties has not been considered;

Item	Content
	(7) No significant impact caused by other force majeure events or unforeseeable factors.
Notes for Special Matters	(1) Glossary of Mining Rights Afghanistan and China have different legal systems concerning mining, and the connotations of related terms or expressions also vary. In this valuation report, the document numbered 03/87, “Mining License,” issued by the Ministry of Mines and Petroleum of the Islamic Republic of Afghanistan on November 25, 2008, is translated according to domestic convention as a “Mining License” (mining right). Its permitted scope includes both an Exploitation Area and an Exploration Area. It authorizes MCC-JCL Aynak Minerals Company Limited (MJAM) to conduct all necessary mining activities including Exploration, Development, Operation, and Reclamation in accordance with the <i>Mining Contract for the Aynak Copper Deposit</i> . Users of this report shall be aware of the many differences between Afghanistan’s mining policies and those of China, as well as how these differences may affect the understanding and application of this valuation report.

Item	Content
(2)	Valuation Scope The Exploration Area (corresponding to the domestic concept of “exploration rights”) permitted under the aforementioned Mining License (No. 03/87 “Mining License”) includes the Darband copper occurrence and the Jawkhar copper occurrence, where preliminary geological work has been conducted, covering a total area of 106.332 km². Given that the level of geological exploration within this Exploration Area does not yet meet development requirements, and the company has not provided relevant geological data satisfying the valuation criteria, it was agreed with the company through consultation that the scope of this valuation is defined as the mining right area specified in the “Mining License” and the retained copper mineral resources as of the valuation date. Consequently, the permitted Exploration Area is not included within the scope of this valuation.
(3)	Validity Period of the Mining License According to the <i>Mining License</i> issued by the Afghan Ministry of Mines and Petroleum (effective date September 8, 2008), this license is valid for 30 years and can be renewed every 5 years upon expiry. It is also stipulated that the license may be renewed only if MJAM complies with all provisions of the license, adheres to the Aynak Project Mining Contract, the Afghan Mineral Law, and relevant regulations issued under the Afghan Mineral Law.

Item**Content**

The valuation object, the mining rights for the Aynak Copper Mine in Afghanistan, has an evaluated revenue period from 2030 to 2070. The conclusions of this valuation are based on the premise that the aforementioned mining license can be legally renewed upon expiry, and no consideration has been given to any potential costs associated with the renewal registration of the mining license upon expiration.

- (4) Technical Documentation Standards and Specifications Among the various professional reports utilized in this valuation report, the technical standards and specifications applied in the preparation of the resource reserve report (Supplementary Exploration Report) primarily adhere to China's national standards and specifications. These include the Classifications for Mineral Resources and Mineral Reserves, General Requirements for Mineral Exploration, and Geological Exploration Specifications for Specific Mineral Types. The feasibility study report complies with relevant Afghan laws, regulations, and provisions of mining contracts, while its design procedures and specifications comply with the relevant requirements of China and the Chinese nonferrous metals industry.

Item	Content
(5)	Mining Contract Amendment Negotiations It is understood that significant changes have occurred in the political environment and project development conditions over the more than ten years since the original MCC-Jiangxi Copper consortium (MCC) signed the <i>Mining Contract for the Aynak Copper Deposit</i> with the Afghan Ministry of Mines and Petroleum on May 25, 2008. Consequently, MCC-JCL Aynak Minerals Company Limited (MJAM) sent a letter to the Afghan Ministry of Mines and Petroleum on September 2, 2024, requesting the prompt initiation of negotiations to amend the mining contract. Subsequently, MJAM and the Afghan government engaged in repeated communications regarding issues such as project construction standards, final products, legal stability, and royalty fees. On August 5, 2025, the Afghan Ministry of Mines and Petroleum formally forwarded a resolution from the Economic Committee concerning royalty fee matters, agreeing to MJAM's proposal to postpone the resolution of royalty fees until the operational phase. At this point, all matters regarding the negotiations to amend the <i>Mining Contract</i> have concluded. To achieve the project construction objectives, MJAM has applied for the signing of Contract Amendment No. 1, which was agreed upon by both parties in November 2024, to confirm the negotiation outcomes and provide a legal basis for subsequent project advancement. The Afghan Ministry of Mines and Petroleum considers the Economic Committee's resolution regarding the contract's validity period to be ambiguous and requires clarification from the Economic Committee before signing can proceed. Currently, they are awaiting clarification from the Afghan Economic Committee on the contract duration issue.

Item**Content**

- (6) Mine Construction Schedule This valuation, in accordance with the relevant requirements for enterprise value appraisal and with reference to the *Feasibility Study Report* prepared by the designer ENFI, as well as the mine construction plan formulated based on the company's evaluation of the required approvals or permits for the development of the Aynak Copper Mine and the progress of preliminary preparatory work, has adjusted and determined the mine construction period to be 53 months (including a 5-month preliminary preparation phase), based on the feasibility study's production scheduling plan (mine construction period). Specifically, the period from after the valuation date of this project until December 2025 is designated as the mine construction preparation period (including completing contract amendment negotiations, construction plan approvals, and engineering survey work, etc.). The years 2026 to 2029 constitute the mine construction and implementation period, with project completion and commencement of formal operations scheduled for 2030.

Due to the complexity of the contract amendment negotiations and the relevant approval or permitting processes involved in mine construction (including but not limited to feasibility study reports, environmental impact assessments, land acquisition, and approval of cultural heritage protection plans), there is a possibility that the project may not commence construction as scheduled, which could affect the timetable of mine construction. Users of this valuation report are specifically advised to take note of this.

Item**Content**

- (7) Utilization of Mine Design Documents for Valuation The technical and economic parameters selected for this assessment primarily reference values from the *Feasibility Study Report for the Aynak Copper Mine Project in Afghanistan of MCC-JCL Aynak Minerals Company Limited* prepared by China ENFI Engineering Corporation in March 2025. If, within the validity period of this valuation report, the mining enterprise commissions the preparation of updated mine design documents such as a revised Feasibility Study Report involving significant adjustments to the corresponding parameters, or if future mine construction designs and actual production indicators differ substantially from the technical and economic parameters used in this valuation, thereby significantly impacting the valuation conclusions, then the conclusions of this valuation shall become invalid, and a new value valuation should be commissioned.

Valuation Value

RMB6,260.015 million

IV. BASE OF VALUE AND ITS DEFINITION

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

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

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

V. VALUATION DATE

The valuation date for this project is July 31, 2025.

The determination of the valuation date primarily considered the implementation date of the economic behavior corresponding to the valuation purpose.

VI. VALUATION BASES

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

(I) Economic Behavior Basis

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

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);
2. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);
3. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);
4. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);
5. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);
6. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

7. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);
8. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);
9. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);
10. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);
11. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);
12. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);
13. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);
14. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);
15. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);
16. *State Taxation Administration's Announcement on Issues Concerning the Implementation of Preferential Enterprise Income Tax Policies for High-Tech Enterprises* (Announcement No. 24 of 2017 of the State Taxation Administration);

17. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);
18. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);
19. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);
20. *The Vehicle Purchase Tax Law of the People's Republic of China* (Adopted at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018).
21. *Accounting Standards for Business Enterprises* and other related accounting systems;
22. Relevant laws and regulations of the countries or regions where overseas assets are located;
23. Other relevant laws, regulations, notices, and documents.

(III) Basis of Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);
2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);
3. *Practice Standards for Assets Valuation – Asset Valuation Procedures* (ZPX [2018] No. 36);
4. *Practice Standards for Assets Valuation – Asset Valuation Report* (ZPX [2018] No. 35);
5. *Practice Standards for Assets Valuation – Asset Valuation Engagement Contract* (ZPX [2017] No. 33);
6. *Practice Standards for Assets Valuation – Assets Valuation File* (ZPX [2018] No. 37);

7. *Practice Standards for Assets Valuation – Valuation Method* (ZPX [2019] No. 35);
8. *Practice Standards for Assets Valuation – Enterprise Value* (ZPX [2018] No. 38);
9. *Practice Standards for Assets Valuation – Intangible Assets* (ZPX [2017] No. 37);
10. *Practice Standards for Assets Valuation – Machinery and Equipment* (ZPX [2017] No. 39);
11. *Practice Standards for Assets Valuation – Property* (ZPX [2017] No. 38);
12. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);
13. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);
14. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);
15. *Guidelines for Asset Valuation Reports on State-Owned Enterprises* (ZPX [2017] No. 42);

(IV) Basis of Asset Ownership

1. Business License for Enterprise Legal Person;
2. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);
3. Property Ownership Certificates;
4. Major asset purchase contracts or vouchers;
5. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;
2. Financial statements and detailed financial ledgers of the valuation date and the previous year;
3. Materials related to financial management, production and operation, and market sales provided by the enterprise;
4. Enterprise revenue, cost, expense analysis, and forecasting materials;
5. The enterprise's fixed asset depreciation method;
6. Enterprise development plans, investment projects, and data on required funds for future years;
7. The enterprise's financial accounting system;
8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;
9. Selected contracts and agreements provided by the enterprise;
10. Data analyzing the enterprise's industry position and market competition;
11. Current national and local tax policies and regulations;
12. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;
13. Relevant data on A-share listed companies provided by the iFinD software;
14. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;
15. Recent issues of the *UDC United Market Information* near the valuation date;
16. Relevant financial data and other materials provided by the enterprise;

17. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;
18. Recent *Country (Region) Guides for Foreign Investment and Cooperation*;
19. Other information obtained by the valuers through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;
2. *Manual of Common Data and Parameters for Asset Valuation*;
3. Important business contracts provided by the enterprise;
4. Market research data collected by the valuers;
5. Relevant materials from on-site inspections and inquiries/confirmations conducted by the valuers;
6. Relevant materials provided by the enterprise's related departments and personnel;
7. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. VALUATION METHOD

(I) Selection of Valuation Method

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

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

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation assumes the continuance of the valuation object as a going concern. The enterprise can provide complete historical operational and financial data. Management has conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future earnings and operational risks can be quantified, meeting the basic conditions for applying the income approach.

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

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

(II) Method for Determining the Valuation Conclusion

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

VIII. APPLICATION OF SPECIFIC VALUATION METHOD FOR VARIOUS ASSETS AND LIABILITIES UNDER THE ASSET-BASED APPROACH**(I) Valuation of Current Assets****1. *Monetary Funds***

Monetary funds include cash, bank deposits, and other monetary funds.

For the valuation of monetary funds, the valuers, accompanied by the company's cashier, supervised the physical count of cash on hand. The rollback method was used to verify the cash balance at the valuation date, which was then checked against the cash journal and the general ledger cash account balance as of the valuation date to confirm the valuation value. The valuation value was confirmed as the verified book value. The valuers verified bank deposits by examining bank statements, reconciliation statements, and confirming the bank confirmation letters performed by the audit firm. USD deposits were converted to RMB at the exchange rate on the valuation date, and the valuation value was confirmed as the verified book value. For bank deposits, the valuation value was confirmed as the verified book value. The book value of other monetary funds was checked against supporting balance confirmation documents; the account balances matched, and the valuation value was determined based on the book value.

2. *Accounts Receivable*

The valuers collected relevant sales contracts, spot-checked supporting vouchers, and reviewed the confirmation letters obtained by the auditors. The book amounts were verified to be correct. For the provision for bad debts, the valuers understood the timing of the receivables' occurrence, the reasons for the arrears, the entity's collection efforts, and the debtors' financial status, creditworthiness, and operational management. After specific analysis, the likelihood of collection for each receivable was judged.

3. *Funds Receivable for Centralized Management*

For the valuation of funds receivable for centralized management, the valuers spot-checked relevant accounting vouchers and attachments for verification. The book amounts were verified to be correct, and the valuation value was confirmed based on the recoverable status of the amounts.

4. *Other Receivables*

The valuers spot-checked relevant accounting vouchers and attachments for verification and reviewed the confirmation letters obtained by the auditors. The book amounts were verified to be correct. For the provision for bad debts, the valuers understood the timing of the receivables' occurrence, the reasons for the arrears, the entity's collection efforts, and the debtors' financial status, creditworthiness, and operational management. After specific analysis, the likelihood of collection for each receivable was judged. Through verification with the evaluated entity, it was determined that the recovery of the provision for bad debts related to other receivables is unlikely. Therefore, with reference to the specific provision for bad debts made, a valuation risk loss was recognized for the valuation. The valuation result was determined as the total amount of receivables minus the valuation risk loss. The provision for bad debts was assessed as zero in accordance with relevant regulations.

(II) Long-term Equity Investments

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

1. For long-term equity investments with controlling interest within the valuation scope, a comprehensive extended valuation of the invested entity was performed. The results of the valuation were analyzed to determine the final valuation value of the total equity value of the invested entity.

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

For MCC Tongsin International Mining Co., Ltd., which was 100% controlled within the valuation scope, newly established in 2024, and had zero net assets, the valuation conclusion was determined using the statement conversion method.

2. For other investments without controlling interest, but for which the audited financial statements of the invested entity as of the valuation date were obtainable, the valuation value of the long-term equity investment was determined by multiplying the audited book value of the invested entity's owners' equity by the shareholding ratio. For invested entities where there is no controlling interest and which were not audited as of the valuation date, the valuation value of the long-term equity investment is determined by multiplying the owner's equity book value from their financial statements by the shareholding ratio.

(III) Valuation of Buildings

Based on the characteristics of the valuation objects, the bases of value, data collection status, and other relevant conditions, the market approach was determined to be used for the valuation of the buildings in this instance.

The market approach is a method that estimates the value of a subject property by comparing it to similar properties that have been transacted near the valuation date, and making appropriate adjustments to the known prices of these comparable property transactions. According to the principle of substitution, the subject property is placed in the same market and compared with three similar property transaction cases that have the same use value and similar regional environment. By referencing the transaction circumstances, date, regional factors, and individual factors, including the remaining land use term, of these comparable cases, adjustments are made to derive the property value of the valuation object as of the valuation date. Considering that the market surrounding the valuation objects is relatively active and comparable case data is obtainable, the market approach is applicable.

The calculation formula for the market comparison approach is:

$$\text{Adjusted case price} = \text{Case price} \times a \times b \times c \times d$$

a = Transaction date adjustment factor

b = Transaction circumstances adjustment factor

c = Regional factor adjustment factor

d = Individual factor adjustment factor

In this formula, the subject property under valuation serves as the comparison benchmark, assigned a value of 100. The market value of the valuation object as of the valuation date is derived after applying these adjustments.

(IV) Valuation of Equipment Assets

Based on the valuation purpose and adhering to the principle of continuous use, the replacement cost method was primarily used for the valuation of equipment assets, considering market prices, the characteristics of the equipment assets, and the data collected.

The equipment assets of MCC Tongsin involved in the valuation consist entirely of electronic equipment, which is currently in normal operation. The formula for the cost approach is as follows:

$$\text{Valuation Value} = \text{Full Replacement Cost} \times \text{Newness Rate}$$

1. Determination of the Full Replacement Cost

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

$$\text{Full replacement cost} = \text{Purchase price (excluding tax)}$$

2. Determination of the Newness Rate

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

$$\text{Newness rate} = (1 - \text{years in service/economic service life}) \times 100\%$$

$$\text{or Newness rate} = (\text{Remaining usable life}/(\text{years in service} + \text{remaining usable life})) \times 100\%$$

3. Determination of valuation value

$$\text{Valuation value} = \text{Full replacement cost} \times \text{comprehensive newness rate}$$

(V) Valuation of Right-of-Use Assets

The right-of-use assets arise from MCC Tongsin's lease of several floors in the MCC Tower, located at No. 28 Shuguang Xili, Chaoyang District, Beijing, which is owned by Metallurgical Corporation of China Ltd. The asset valuation professionals reviewed the original contract and MCC Tongsin's accounting treatment for the valuation result was determined based on the book value.

(VI) Valuation of Intangible Assets – Other Intangible Assets

Purchased software and system-type intangible assets: For the purchased software and systems, the valuers determined the valuation result based on current market prices.

(VII) Valuation of Liabilities

The declared liabilities consist of current liabilities and non-current liabilities. Current liabilities include accounts payable, employee benefits payable, taxes payable, other payables, and non-current liabilities due within one year. Non-current liabilities comprise long-term payables and long-term employee benefits payable. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. APPLICATION OF SPECIFIC VALUATION METHODS IN THE INCOME APPROACH

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

(I) Income Basis – Free Cash Flow To the Firm

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

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) – Capital expenditures – Change in net working capital.

(II) Income Period

The income projection period for the subject entity is considered to be perpetual. Specifically: The first stage is a five-year and one-period detailed forecast period, from August 1, 2025 to December 31, 2030. During this stage, the income status is changing based on the company's operations. The second stage is from January 1, 2031 to perpetuity. During this stage, the enterprise is assumed to maintain a stable level of earnings.

(III) Discount Rate

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

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

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

(IV) Valuation Calculation Formula for the Income Approach

The calculation formula for the income approach used for the evaluated entity in this valuation is as follows:

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

Wherein: P – Valuation result of the total equity value of enterprise shareholders;

A_i – Free cash flow to the firm for the i-th year in the near-term forecast period with fluctuating returns;

A – Sustained and stable annual free cash flow to the firm during the stable period;

R – Discount rate;

n – Number of years in the forecast period with fluctuating returns;

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

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

X. IMPLEMENTATION PROCESS AND SITUATION OF THE VALUATION PROCEDURES

The valuers conducted on-site valuation work on the assets and liabilities involved in the valuation object from October 10, 2024 to October 25, 2024 (A secondary verification and inspection of the assets subject to valuation was performed by the valuation project team from August 11, 2025 to August 15, 2025). The implementation process of this valuation procedure is described as follows:

(I) Clarification of Basic Matters of the Valuation Engagement

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

(II) Signing the Asset Valuation Engagement Contract

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

(III) Preparation of the Valuation Plan

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

(IV) On-site Investigation

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

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;
2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;
3. The valuers conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.
4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

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

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;
2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;
3. The valuers verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

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

(VI) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.
2. Key tasks for the income approach valuation involved valuers' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the result under the income approach.
3. The preliminary results from the asset-based approach and the income approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to the Client.

XI. VALUATION ASSUMPTIONS**(I) General Assumptions**

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open Market Assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.
3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the Evaluated Entity can continue based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

(II) Special Assumptions

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

2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of MCC Tongsin and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.
7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. It is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.
2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

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

XII. EVALUATION CONCLUSION

In accordance with relevant national regulations concerning asset valuation, and adhering to the principles of independence, impartiality, and objectivity, along with the necessary valuation procedures, the market value of the shareholders' entire equity interest of MCC Tongsin Resources Ltd. has been appraised. Based on the above valuation work, the following conclusion is presented:

(I) Asset-Based Approach Calculation Results

In accordance with relevant national asset valuation regulations, and adhering to the principles of independence, objectivity, and impartiality along with the necessary valuation procedures, the market value of the shareholders' entire equity interest of MCC Tongsin Resources Ltd. has been appraised. Based on the above valuation work, the following conclusion is presented:

According to the asset-based approach valuation, the total assets of MCC Tongsin have a book value of RMB4,591.6303 million and a valuation value of RMB13,004.7063 million, representing an appreciation of RMB8,413.0760 million and an appreciation rate of 183.23%. The total liabilities have a book value of RMB266.1950 million and a valuation value of RMB266.1950 million, showing no change in value. The net assets have a book value of RMB4,325.4353 million and a valuation value of RMB12,738.5113 million, representing an appreciation of RMB8,413.0760 million and an appreciation rate of 194.50%.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB10,000

Item		Book Value A	Valuation Value B	Appreciation/ Depreciation C=B-A	Appreciation/ Depreciation Rate % D=C/A × 100%
Total Current Assets	1	197,992.52	197,992.52	—	—
Total Non-Current Assets	2	261,170.51	1,102,478.11	841,307.60	322.13
Including: Long-term Equity					
Investments	3	260,339.95	1,099,029.51	838,689.55	322.15
Investment Properties	4	—	—	—	—
Fixed Assets	5	602.11	3,188.27	2,586.16	429.52
Construction in Progress	6	—	—	—	—
Intangible Assets	7	111.65	143.53	31.88	28.56
Including: Intangible Assets –					
Land Use Rights	8	—	—	—	—
Other Non-Current Assets	9	116.80	116.80	—	—
Total Assets	10	459,163.03	1,300,470.63	841,307.60	183.23
Current Liabilities	11	20,195.79	20,195.79	—	—
Non-Current Liabilities	12	6,423.72	6,423.72	—	—
Total Liabilities	13	26,619.50	26,619.50	—	—
Net Assets	14	432,543.53	1,273,851.13	841,307.60	194.50

(II) Income Approach Calculation Results

The valuation determined that, as of the valuation date, the shareholders' entire equity value of MCC Tongsin, assessed using the income approach, is RMB12,240.7206 million. Compared to the company's book value of net assets of RMB4,325.4353 million, this represents an appreciation of RMB7,915.2853 million and an appreciation rate of 182.99%.

(III) Analysis of the Results from the Two Methods

The valuation results above indicate that the value derived from the income approach is RMB497.7907 million lower than that from the asset-based approach, representing a difference of 3.91%. A detailed analysis of the reliability and reasonableness of the valuation results from the two methods is provided below.

During the asset-based approach valuation calculation, the value of factors crucial to the enterprise's production and operation such as human resources, R&D capability, management team, and resource background could not be captured. Compared to the income approach, the perspective and pathway of the asset-based approach are indirect. When assessing enterprise value, it can easily overlook the comprehensive profit-making ability and synergistic value effects resulting from the combination of all assets.

The income approach is grounded in assessing the asset's profit-generating capacity. It capitalizes or discounts the expected future earnings of the appraised enterprise to determine the valuation object value, reflecting a rationale based on earning prediction. The valuation result from the income approach incorporates the value of elements like human resources, R&D capability, management team, and resource background – values not captured by the asset-based approach. Consequently, the valuation result from the income approach is deemed more reasonable.

In summary, we consider the valuation result from the income approach to be more reasonable and to more objectively reflect the market value of the evaluated entity. Therefore, this report adopts the result from the income approach as the final valuation conclusion.

(IV) Valuation Conclusion

Under the assumptions set forth in this report, the shareholders' entire equity value of MCC Tongsin as of the valuation date – July 31, 2025, is RMB12,240.7206 million (In words: RMB Twelve Billion Two Hundred and Forty Million Seven Hundred and Twenty Thousand Six Hundred Only). Compared to the net asset book value of RMB4,325.4353 million under the MCC Tongsin parent company statements, this represents a valuation appreciation of RMB7,915.2853 million, an appreciation rate of 182.99%. Compared to the net asset book value attributable to the parent company of RMB4,816.3912 million under the MCC Tongsin consolidated statements, this represents a valuation appreciation of RMB7,424.3294 million, an appreciation rate of 154.15%.

XIII. NOTES FOR SPECIAL MATTERS

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

- (I) Neither the asset valuation institution nor the valuers shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the valuers have performed their valuation procedures.
- (II) This report is based on information required for the valuation provided by MCC Tongsin Resources Ltd. and its subsidiaries, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.
- (III) The valuers conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this valuation report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) Notes on Limitations in valuation Procedures

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

(V) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VI) Other Key Information Not Provided by the Client

None.

(VII) Matters Related to Mortgages and Guarantees

None.

(VIII) Incomplete Property Ownership Information, Existence of Defects Therein, and Other Situations Requiring Explanation***1. Explanation from MCC Tongsin Regarding Buildings***

Among the buildings of MCC Tongsin Resources Ltd., the 2 properties in Karachi do not require property ownership certificates with a historical cost of RMB16,326,491.59 and a net book value of RMB5,537,469.82. For this valuation, the site area for structures not requiring property ownership certificates was determined based on the asset-based approach declaration form submitted by the enterprise.

(IX) Special Matters Explanation for Subsidiaries**1. MCC Resources Development Co., Ltd.**

- (1) The buildings of MCC Resources Development Co., Ltd. do not have property ownership certificates. For the valuation, the floor area for buildings not yet certified was determined primarily based on ownership confirmation documents and completion data provided by the evaluated entity, combined with on-site inspection by the asset valuation professionals. However, the final area shall be subject to the area registered on the property ownership certificate issued by the relevant property management authority. MCC Resources Development Co., Ltd. has committed that the ownership of these structures belongs to MCC Resources Development Co., Ltd., the ownership is clear and undisputed, and that MCC Resources Development Co., Ltd. will bear all legal liabilities should any legal disputes arise regarding the property ownership of the buildings within the valuation scope. This valuation did not consider the potential impact of ownership defects on the valuation conclusion.

(2) Loan Matter

MCC Resources Development Co., Ltd. entered into an *Internal Loan Agreement* (Contract No.: MCCJJK20020001) with its parent company, MCC Tongsin Resources Ltd., in November 2022. The contract stipulates the following: Loan purpose: Saindak Copper-gold Mine new 2.75 million ton/year concentrator project; Loan amount: Ceiling of USD90 million; Loan term: 10 years in total, commencing from the actual disbursement date; Interest rate type: Fixed rate of 4.9%.

2. MCC-JCL Aynak Minerals Company Limited

Major Lease Matters

S/N	Lessee	Lessor	Lease Item	Lease Location	Leased Area (m ²)	Lease Term	Lease Amount
1	MCC-JCL Aynak Minerals Company Limited	Beijing Future Science City Baochang Property Co., Ltd.	Office buildings	Unit 702-1, 7F, Building 2#, Poly Future Metropolitan, Future Science City, Changping District, Beijing	400.00	2024.9.10 -2029.9.9	Lease term of five years; Monthly rent of RMB25,280.00 (including tax) for the first three years, RMB26,544 (including tax) for the subsequent two years.

3. Kohesultan Mining Company (Private) Limited

Lease details are as follows:

S/N	Leased Address	Leased Area m ²	Lease Term	Lease Amount (RMB)	Lessor
1	Office building: 7F, Building #2 (Unit 702-2)	373.1	2024/9/10 -2029/9/9	September 10, 2024 – September 9, 2027: monthly rent of RMB23,579.9 (including tax); September 10, 2027 – September 9, 2029: monthly rent of RMB24,758.9 (including tax)	Beijing Future Science City Baochang Property Co., Ltd.

Furthermore, no material contracts or litigation matters that could affect the valuation were identified regarding the evaluated entity; nor were there any other material matters such as mortgages, pledges, guarantees, other contingent liabilities, or contingent assets that could affect the valuation. This valuation did not consider the impact of the aforementioned matters on the appraisal conclusion.

4. *Beijing Xinxing Dadi Materials Supply Co., Ltd.***(1) *Matters requiring disclosure identified during asset ownership verification***

According to the *Property Ownership Certificate* (WFQZSYBKQ Zi No. 2011422185), the recorded rights holder is Beijing Xinxing Dadi Materials Supply Co., Ltd. The planned use of the property is residential, and the recorded property type is limited property.

(2) *Other verification conclusions requiring special explanation*

Beijing Xinxing Dadi Materials Supply Co., Ltd. has signed a *House Lease Contract* (MCC Group Office Contract [2022] No. 22) with China Metallurgical Group Corporation for use as office space.

(IX) The exchange rates used in the valuation are consistent with those used in the audit report, both being the unified exchange rates used for the financial accounting of the evaluated entity. The USD to RMB exchange rate at the valuation date was 1:7.1494, and the average USD to RMB exchange rate for the period January-July 2025 was 1:7.1782.

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

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

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

None.

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

XIV. NOTES ON USAGE RESTRICTIONS FOR THE ASSESSMENT REPORT

- (I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.
- (II) If the client or other users of this asset valuation report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its valuers shall bear any responsibility.
- (III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- (IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- (V) This report must, in accordance with the relevant provisions governing state-owned assets, obtain asset valuation report approval or filing from the competent authority with the power of verification or filing before it acquires the legally prescribed effect and can be formally used.
- (VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XV. DATE OF THE ASSET VALUATION REPORT

Date of this report: December 3, 2025.

**Asset Valuation Report
Supplementary Information**

**on Shareholders' Total Equity Value of MCC Tongsin Resources Ltd.
Involved in the Metallurgical Corporation of China Ltd.'s
Proposed Transfer of Subsidiary Equity**

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

**SUMMARY OF VALUATION ASSUMPTIONS AND CALCULATION PROCESS OF VALUATION
OF THE SHAREHOLDERS' TOTAL EQUITY VALUE OF MCC TONGSIN RESOURCES LTD.
VIA THE INCOME APPROACH****I. INTRODUCTION TO THE APPLICATION OF THE INCOME APPROACH**

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

II. BASE OF VALUE AND ITS DEFINITION

The base of value in asset valuation refers to the value attribute and its form of expression embodied in the base of value. Based on the valuation purpose, the base of value is determined to be the base of value for the market.

Market value in asset valuation refers to the estimated amount of value of an asset in a normal and fair transaction on the valuation date, when a voluntary buyer and a voluntary seller act rationally and without any compulsion or coercion respectively.

III. VALUATION ASSUMPTIONS OF THE INCOME APPROACH**(I) General Assumptions**

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open Market Assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.

3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption for the Enterprise: The operating conditions of the production and operation business of the evaluated entity will not undergo significant changes during the foreseeable operating period.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the macroeconomic conditions of China and or the countries where the subject assets are located. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of MCC Tongsin will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.

7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. Assume that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

IV. SPECIFIC FORM OF THE INCOME APPROACH

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

(I) Income Basis – Free Cash Flow To the Firm

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

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) – Capital expenditures – Change in net working capital.

(II) Discount Rate

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

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

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

(III) Income Period

The income projection period for the subject entity is considered to be perpetual. Specifically: The first stage is a five-year and one-period detailed forecast period, from August 1, 2025 to December 31, 2030. During this stage, the income status is changing based on the company's operations. The second stage is from January 1, 2031 to perpetuity. During this stage, the enterprise is assumed to maintain a stable level of earnings.

(IV) Valuation Approach

In light of the organizational structure of the valuation object, the valuation approach adopted in this valuation is as follows:

1. Divide the overall assets of MCC Tongsin into equity assets within the scope of the income approach calculation and surplus assets;
2. Apply the income approach to value the equity assets within the scope of the income approach calculation;
3. Equity assets outside the scope of the income approach calculation are surplus assets. Surplus assets mainly include:
 - (1) Surplus cash;
 - (2) Idle assets or non-operating assets;
 - (3) Enterprise assets for which the predictability of future net income generation is poor and thus cannot be included in the scope of the income approach calculation;

4. Value the surplus assets using the following methods respectively:
 - (1) Value surplus cash based on the calculated amount of surplus cash;
 - (2) Value idle physical assets and non-operating assets using the cost approach or market approach.
5. Sum up the income approach valuation result of equity assets within the scope of the income approach calculation and the valuation result of surplus assets, so as to derive the income approach valuation result of the shareholders' total equity interests of MCC Tongsin.

(V) Valuation Calculation Formula for the Income Approach

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

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

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

A_i = Free Cash Flow to the Firm during the detailed forecast period;

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

R – Discount rate;

n = Detailed forecast period;

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

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

V. INCOME APPROACH VALUATION PROCESS AND RESULTS

MCC Tongsin has forecasted the main aspects of its operations from August 1, 2025 to December 31, 2030, completed and provided the Income Approach Valuation Declaration Form to the valuation institution. The valuation institution conducted independent analysis and judgment on the future forecasts provided by the enterprise, and carried out the forecast of the enterprise's future operations and income in combination with the on-site inspections of the enterprise by asset valuation professionals.

(I) Forecast of the Enterprise's Operating Income***1. Analysis of the Enterprise's Development Status******(1) Main Business and Operating Conditions***

MCC Tongsin has no main business of its own, and is mainly engaged in the investment management of various subsidiaries. The status of the major subsidiaries of MCC Tongsin is as follows: The subsidiary MCC Resources Development Co., Ltd. is responsible for the production, management of the Saindak Copper-gold Mine invested in Pakistan and the investment business of other mineral resources; The subsidiary Kohesultan Mining Company (Private) Limited is responsible for the development and construction of the Siaddik Copper Mine project in Pakistan; The subsidiary MCC-JCL Aynak Minerals Company Limited is responsible for the development and construction of the Aynak Copper Mine project in Afghanistan; The subsidiary Beijing Xinxing Dadi Materials Supply Co., Ltd. is responsible for the supply and trade business of equipment and materials for overseas projects and some other trade businesses.

(2) Advantage Analysis and Future Development

MCC Tongsin is a mixed-type company integrating development, investment, construction, production operation and management with copper-gold mines as the main target, and belongs to the resource development sector of China Metallurgical Group Corporation (MCC). The main functions of MCC Tongsin are to manage and operate the Saindak Copper-Gold Mine in Pakistan, the development and construction of the Aynak Copper Mine project and the Siaddik Copper Mine project in Afghanistan, as well as the development and investment business of other mineral resources. At present, the Saindak Copper-Gold Mine project, which has been in operation for more than 20 years, is operating well and has strong profitability; The under-construction Aynak Copper Mine project and Siaddik Copper Mine project are rich in resources, and the preliminary work is being gradually promoted.

2. Forecast of Operating Income

MCC Tongsin acts as a management platform, mainly generating profits from investment income through its invested subsidiaries and having no main business income; In addition to investment income, MCC Tongsin generates income by providing corresponding long-term and short-term services through signing various service contracts with external parties, such as consulting services, asset leasing, management services, mining stripping services, and maintenance services. For this valuation, the enterprise forecasts future income based on the contents of existing contracts, classifying various service contracts, leasing contracts and other contracts in hand into long-term and short-term execution ones. The gross profit margins of the company's consulting services and property leasing businesses are relatively stable.

In 2025, MCC Tongsin's operating revenue primarily comes from three short-term contracts (with execution periods covering 2024 to 2025) as well as two long-term contracts for consulting services and asset leasing (which are expected to be renewable on an ongoing basis). Based on the aforementioned contract arrangements, the projected operating income for August-December 2025 is RMB8.2094 million. From 2026 onwards, affected by the expiration of the short-term contracts, the projected operating income is expected to decrease to RMB3.2016 million and remain stable thereafter.

(II) Forecast of Operating Costs

As a normally operating enterprise, the various operating costs of MCC Tongsin corresponding to the respective incomes have been generally stable in recent years. For this valuation, the future operating costs are forecasted mainly with reference to the actual costs and expenses audited for the three years and one period prior to the valuation date of the enterprise.

The gross profit margins of the company's consulting services and property leasing businesses are relatively stable. The costs of other businesses during the forecast period are primarily projected based on the gross profit levels of the consulting services and property leasing businesses over the past three years. During the forecast period, the gross profit of the company's other businesses remains relatively stable.

(III) Forecast of Taxes and Surcharges

MCC Tongsin is registered and established overseas, involving no taxes and surcharges, so no forecast is made for this item in this valuation.

(IV) Forecast of the Enterprise's Period Expenses

Period expenses include sales expenses, management expenses and financial expenses.

1. Sales Expenses: Including consulting fees, travel expenses, business entertainment expenses and others. For this valuation, the enterprise determines the sales expenses by combining the historical occurrence situation, the current execution situation of business contracts and the future planning.

2. Management Expenses include employee compensation, depreciation, office expenses, property management fees, intermediary agency fees, and other items. For this valuation, the projection is made based on historical occurrences and the enterprise's future plans. Among these, employee compensation accounts for over 90% of the management expenses. The projected employee compensation for August-December 2025 is mainly determined based on the enterprise's full-year 2025 budgeted employee compensation minus the amount accrued in the previous periods. Since MCC Tongsin has accrued the majority of the full-year employee compensation in June 2025, the projected employee compensation for the forecast period of August-December 2025 is relatively low. Therefore, the projected management expenses for August-December 2025 are only RMB4.0659 million. From 2026 onwards, considering that the personnel scale will remain basically stable, the projected employee compensation in management expenses is basically consistent with the full-year 2025 data. Therefore, the scale of projected management expenses for 2026 and subsequent years increases significantly compared with that of August-December 2025.
3. Financial Expenses: Including interest income, handling fee expenditures, exchange gains and losses, etc. Since the enterprise's surplus monetary funds have been taken into account, interest income is not considered repeatedly; handling fee expenditures and exchange gains and losses are not forecasted.

(V) Forecast of Non-operating Income and Expenses

Non-operating income and expenses mainly include other gains and losses from the damage and disposal of fixed assets, which occur occasionally and are irregular expenditures, so no forecast is made for this item in this valuation.

(VI) Forecast of Income Tax Expenses

The total profit for each future period is calculated through the above forecasts, and the estimated net profit for each future year is obtained by subtracting the enterprise income tax from the total profit for each year.

(VII) Forecast of the Enterprise's Net Profit

The total profit for each future period is calculated through the above forecasts, and the estimated net profit for each future year is obtained by subtracting the enterprise income tax from the total profit for each year.

(VIII) Forecast of Capital Expenditures

Capital expenditures refer to the expenditures incurred by an enterprise for the purchase and construction of fixed assets or other non-current assets to maintain its operations. The fixed assets of MCC Tongsin are mainly electronic equipment, and the intangible assets are mainly office software. The company's purchase of assets in future years is for maintaining the existing operating scale and replacing the enterprise's assets.

(IX) Forecast of Fixed Asset Depreciation and Expense Amortization

The fixed asset construction projects of MCC Tongsin are mainly electronic equipment, and the intangible assets are mainly office software. In this valuation, the forecast of the company's fixed asset depreciation and intangible asset amortization for future years is made on the basis of estimating the depreciation and amortization amount for the future operating period according to the company's fixed asset depreciation and amortization policy, using the asset book original value as of the valuation date, the expected service life, the weighted depreciation and amortization rate and other factors.

(X) Forecast of Working Capital

Working capital refers to operating funds occupied, which is the difference between operating current assets and operating current liabilities. The increase in working capital refers to the cash occupied by providing commercial credit, the cash maintained for normal operations, accounts receivable and payable, etc., as the company's business activities change; it also includes a small amount of other receivables and payables necessary for operations. The forecast focuses on sensitive items, which refer to asset and liability items that change directly with sales volume, including accounts receivable, accounts payable, taxes payable, employee benefits payable, etc. Usually, the vast majority of the accounting contents of other receivables and other payables are abnormal operating transactions; The occurrence and the amount of such items are not strongly correlated with the scale of business activities, so they are set to remain unchanged in the forecast. Therefore, in principle, the calculation of the increase in working capital only needs to consider the main factors such as the cash maintained for normal operations, accounts receivable and accounts payable. For the amounts of these items in subsequent years, the enterprise has also made forecasts based on changes in the scale of operations and combined with past experience.

The increase in working capital refers to the additional operating capital (a negative value indicates a decrease) that needs to be invested in accordance with the enterprise's forecasted business objectives. The increase in working capital as defined in this report is: Increase in working capital = Current period working capital – Previous period working capital.

(XI) Free Cash Flow

The forecasted free cash flow to the firm of MCC Tongsin for the forecast period is calculated by adding non-cash costs and expenses such as fixed asset depreciation and intangible asset amortization to the net profit, plus financial expenses such as interest paid to creditors (after deducting tax impact, which falls within the scope of free cash flow), minus the change in net working capital, and minus capital expenditures.

(XII) Determination of the Discount Rate

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

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

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

1 Risk-free Rate of Return

The risk-free rate of return refers to the expected rate of return of investors on risk-free assets. Since the evaluated entity is a BVI company registered in the British Virgin Islands, and considering that the evaluated entity is a Chinese-funded holding enterprise which has no main business of its own but whose subsidiaries' raw materials and products are mainly targeted at the Chinese market, the selection of relevant parameters in this valuation refers to the relevant data of the Chinese capital market. For this project, the yield to maturity of Chinese treasury bonds with a remaining term of more than ten years as of the valuation date of July 31, 2025 is adopted as the risk-free rate of return, with a value of 2.84% (retained to two decimal places).

2 *Forecast of the Industry Risk Premium Rate*

MCC Tongsin is registered overseas, and its major subsidiaries are all mining enterprises engaged in mining and smelting, developing copper ores. On the whole, the long-term prospect of copper demand is promising due to the global promotion of clean energy technology development and decarbonization plans and the advancement of green transition; At the same time, as the subsidiaries are all overseas mineral development projects, coupled with the current global economic instability and the risks of conflicts and confrontations brought about by various geopolitical factors, there are many uncertain influencing factors in the future. However, considering the increasing scarcity of copper resources, the industry risk premium rate is set at a moderate level of 2.0% on the whole.

3 *Operational Risk Premium Rate*

The operational risk of an enterprise mainly stems from external competition, internal management, etc. MCC Tongsin has no main business of its own; as a management platform, its main income comes from investment income from subsidiaries, and there is basically no external competition in its own operations. Considering that the major subsidiaries managed by MCC Tongsin are all located in underdeveloped countries such as Pakistan and Afghanistan, where the legal environment is poor and there are factors such as terrorist attacks and social unrest, the operational risk premium rate is estimated at 3.0% after comprehensive consideration of the operational risks.

4 *Financial Risk Premium Rate*

MCC Tongsin has experienced fluctuations in recent income, with relatively stable costs, no advance payments and low capital pressure. The operational risk premium rate is estimated at 1.0% after comprehensive consideration of the operational risks.

5 *Other Risk Premium Rates*

The other risk premium rates mainly consider whether the enterprise's forecast of future income for this valuation is prudent, neutral or optimistic, with a value generally ranging from -1% to 1%. The enterprise's forecast of future income is completely based on its existing assets and operating scale and the forecast is made using a basically fixed income and cost model corresponding to existing contracts. Combined with the actual operating conditions of the enterprise, we believe that the future forecast is a neutral one, so the other risk premium rates are set at 0%.

⑥ Determination of the Discount Rate

$$\text{Annual discount rate} = 2.84\% + 1.5\% + 3.0\% + 1.0\% + 0\% = 8.34\%$$

(XIII) Discount Calculation of Free Cash Flow to the Firm**1. Estimation of the Value of Operating Assets**

Through the above estimation, asset valuation professionals forecasted the free cash flow to the firm for the next 5 years. The discount factors for each period used in the following calculation are as follows:

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

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

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

The current income multiplied by the current discount factor is converted into present value. Asset valuation professionals reasonably assume that the free cash flow to the firm will remain stable from 2031 onwards and the enterprise will operate indefinitely. The annual free cash flow to the firm can be capitalized into the value as of mid-2030 using the discount rate, and then converted into the value as of the valuation date. By summing up the free cash flows to the firm converted to the valuation date, the valuation value of the enterprise's operating assets within the scope of the income approach calculation for MCC Tongsin derived from the income approach valuation is RMB -543.9077 million.

2. *Surplus and Non-operating Assets and Liabilities*

The overall income approach valuation of MCC Tongsin is mainly conducted based on the parent company's statement caliber. The equity of subsidiaries in which it has invested, as well as assets and liabilities not included in the income approach valuation model, are considered as surplus and non-operating assets and liabilities. The valuation value of such assets and liabilities through calculation is RMB12,784.6284 million.

The most significant item in the surplus and non-operating assets and liabilities is the value of long-term equity investments, amounting to RMB10,990.2951 million, with an appraisal increment of RMB8,386.8955 million. The primary reason for the increase in the value of long-term equity investments is that the mining rights of overseas copper mining enterprises held by MCC Tongxin are evaluated using the discounted cash flow method. Due to the sustained rise in international copper prices in recent years, the projected profitability of these enterprises has improved, leading to a substantial appreciation in the valuation of the mining rights.

3. *Income Approach Valuation Result*

The shareholders' total equity value of MCC Tongsin derived from the income approach valuation is obtained by taking the value of operating assets and adding back the surplus assets and liabilities.

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

Monetary Unit: RMB 10,000

Project/Year	August - December	Stabilization						Period	Remarks
	2025	2026	2027	2028	2029	2030	2030		
I. Operating income	820.94	320.16	320.16	320.16	320.16	320.16	320.16	320.16	
Wherein: Main business income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (I) Forecast of Operating
Other business income	820.94	320.16	320.16	320.16	320.16	320.16	320.16	320.16	Revenue for detailed calculation logic
II. Operating costs	120.00	62.48	62.48	62.48	62.48	62.48	62.48	62.48	
Wherein: Main business costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (II) Forecast of Operating Cost
Other business costs	120.00	62.48	62.48	62.48	62.48	62.48	62.48	62.48	for detailed calculation logic
Taxes and surcharges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Refer to V. (III) Forecast of Taxes and
									Surcharges for detailed calculation logic
Sales expenses	40.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	Refer to V. (IV) Forecast of the Enterprise's
Management expenses	406.59	4,906.50	4,721.33	4,705.47	4,683.60	4,677.60	4,677.60	4,677.60	Period Expenses for detailed calculation
Financial expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	logic
III. Operating Profit	254.35	-4,848.82	-4,663.65	-4,647.79	-4,625.92	-4,619.92	-4,619.92	-4,619.92	
IV. Total Profit	254.35	-4,848.82	-4,663.65	-4,647.79	-4,625.92	-4,619.92	-4,619.92	-4,619.92	
Minus: Income tax expenses	113.31	3.45	3.45	3.45	3.45	3.45	3.45	3.45	Refer to V. (VI) Forecast of Income Tax
									Expense for detailed calculation logic
V. Net Profit	141.04	-4,852.27	-4,667.10	-4,651.24	-4,629.37	-4,623.37	-4,623.37	-4,623.37	
Plus: Depreciation	21.64	79.88	79.10	78.75	78.58	72.58	72.58	72.58	Refer to V. (IX) Forecast of Fixed Asset
Amortization	15.51	37.22	37.22	21.71	0.00	0.00	0.00	0.00	Depreciation and Expense Amortization
									for detailed calculation logic
Minus: Additional working capital investment	-1,335.38	207.06	-15.37	0.00	0.00	0.00	0.00	0.00	Refer to V. (X) Forecast of Working Capital
									for detailed calculation logic
Minus: Capital expenses	0.00	0.00	0.00	0.00	10.00	0.00	72.58	72.58	Refer to V. (VIII) Forecast of Capital
									Expenditures for detailed calculation
									logic

Project/Year	August – December					Stabilization		Remarks
	2025	2026	2027	2028	2029	2030	Period	
VI. Free Cash Flow to the Firm	1,513.57	-4,942.23	-4,535.41	-4,550.78	-4,560.79	-4,550.79	-4,623.37	
1. Annual discount rates	8.34%	8.34%	8.34%	8.34%	8.34%	8.34%	8.34%	Refer to V. (XII) <i>Determination of Discount Rate</i> for the selection of the discount rate
2. Discount period	0.2083	0.9167	1.9167	2.9167	3.9167	4.9167		
3. Discount factor	0.9835	0.9292	0.8577	0.7917	0.7308	0.6745	0.6226	
4. Present value of free cash flow	1,488.60	-4,592.32	-3,890.02	-3,602.85	-3,333.03	-3,069.51	-37,391.64	
5. Cumulative present value of free cash flow	1,488.60	-3,103.72	-6,993.74	-10,596.59	-13,929.62	-16,999.13	-54,390.77	
6. Discounted value of free cash flow to the firm	-54,390.77		7. Plus: Enterprise redundant and non-operating assets			1,278,462.83		
8. Interest-bearing liabilities	0.00		9. Total equity value of the enterprise's shareholders			1,224,072.06		

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

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

4. The shareholders' total equity value of MCC Tongsin, as of the valuation dates (July 31, 2025), determined using the income approach, and is RMB12,240.7206 million.

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

Asset Valuation Report

**on the Shareholders' Total Equity Value of MCC Huaye Duddar Mining Company
(PVT.) Limited Involved in the Proposed Equity Transfer of a Subsidiary of
Metallurgical Corporation of China Ltd.**

ZSZYPB [2025] No. 010158

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

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

STATEMENT

- I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.
- II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.
- III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.
- VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.
- VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.
- VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on the Shareholders' Total Equity Value of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB [2025] No. 010158

SUMMARY

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to value the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. The main content of this Valuation Report is summarized as follows:

- I. Valuation Purpose:** According to the *Resolution of the Board of Director of China Minmetals Corporation* (2025, 12th Meeting), the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. involves the equity of MCC Huaye Duddar Mining Company (PVT.) Limited. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to value the market value of the total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.
- II. Valuation Object and Scope:** The valuation object is the total equity value of the shareholders of MCC Huaye Duddar Mining Company (PVT.) Limited. The valuation scope covers all assets and liabilities of MCC Huaye Duddar Mining Company (PVT.) Limited. As of the valuation date, July 31, 2025, the company's total assets had a book value of USD101.3319 million, total liabilities had a book value of USD75.2823 million, and total shareholders' equities had a book value of USD26.0496 million.
- III. Base of Value:** The base of value for the conclusion in this Asset Valuation Report is market value.
- IV. Valuation Date:** July 31, 2025.
- V. Valuation Method:** Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the asset-based approach.

VI. Valuation Conclusion: The valuation determined that as of the valuation date, July 31, 2025, the shareholders' total equity valuation value of MCC Huaye Duddar Mining Company (PVT.) Limited is RMB1,656.7205 million. In words: RMB One billion six hundred and fifty-six million, seven hundred and twenty thousand five hundred only.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

VII. Special Matters Affecting the Valuation Conclusion:

1. Based on the *Capital Injection Application, Entrusted Agreement for Overseas State-owned Assets Held in Personal Name*, and other relevant materials provided by the enterprise, the evaluated entity's articles of association indicate that all shareholders other than China Huaye Group Company Limited are nominee shareholders. MCC Huaye Duddar Mining Company (PVT.) Limited is a wholly-owned subsidiary of China Huaye Group Company Limited.
2. According to the patent certificates provided by the enterprise, the recorded right holders for the 26 patent assets within the current valuation scope are all China Huaye Group Company Limited. Communication with the enterprise's management revealed that these patent assets were independently developed by MCC Huaye Duddar Mining Company (PVT.) Limited. As overseas companies cannot apply for patent certificates in China, China Huaye Group Company Limited applied for registration on its behalf. The valuers have obtained and correspondingly verified the internal application and approval process documents for these patents within China Huaye Group Company Limited. The actual right holder of these patent assets is MCC Huaye Duddar Mining Company (PVT.) Limited.
3. The buildings and structures within the current valuation scope do not have ownership certificates. The evaluated entity has provided a *Letter of Ownership Commitment*, confirming that the aforementioned assets belong to MCC Huaye Duddar Mining Company (PVT.) Limited.
4. Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

**on the Shareholders' Total Equity Value of
MCC Huaye Duddar Mining Company (PVT.) Limited
Involved in the Proposed Equity Transfer of
a Subsidiary of Metallurgical Corporation of China Ltd.**

ZSZYPB Zi [2025] No. 010158

TEXT

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to value the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. This was conducted in accordance with laws and administrative regulations, adhering to the principles of independence, objectivity, and impartiality, employing both the asset-based approach and the income approach, and following necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. OVERVIEW OF THE CLIENT AND THE EVALUATED ENTITY

(I) Overview of the Client

Company Name:	Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")
Unified Social Credit Code:	91110000710935716X
Registered Address:	No. 28 Shuguang Xili, Chaoyang District, Beijing
Legal Representative:	Chen Jianguang
Registered Capital:	RMB20,723,619,170
Enterprise Type:	Joint Stock Limited Company (Listed, State-Controlled)
Date of Establishment:	December 1, 2008
Business Term:	December 1, 2008 to No Fixed Term

Business Scope:

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

(II) Overview of the Evaluated Entity**1. Basic Information of the Enterprise**

Company Name:	MCC Huaye Duddar Mining Company (PVT.) Limited (Hereinafter referred to as “MHD”)
English Name:	MCC HUAYE DUDDAR MINING COMPANY (PVT.) LIMITED
Registration Certificate No.:	ADR-I/0090111-299
Registered Address:	Lasbela District, Balochistan Province, Pakistan
Registered Capital:	USD66,413.66
Date of Establishment:	October 1, 2014

MCC Huaye Duddar Mining Company (PVT.) Limited (Hereinafter referred to as MHD) is located in the Kanraj Valley, Lasbela District, Balochistan Province, Pakistan. It is primarily engaged in resource development business, mainly involving the production and sales of non-ferrous metal mineral products such as lead and zinc, and their by-products. The Duddar Lead-Zinc Mine Project is the only underground metal mine in Pakistan. As a resource development project under China-Pakistan cooperation, it is invested in and operated by China Huaye Group Company Limited.

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

As of the valuation date of July 31, 2025, MHD's equity is 100% held by China Huaye Group Company Limited:

Serial Number	Shareholder Name	Registered Capital (USD)	Paid-in Capital (USD)
1	China Huaye Group Company Limited	66,413.66	66,413.66
Total	—	66,413.66	66,413.66

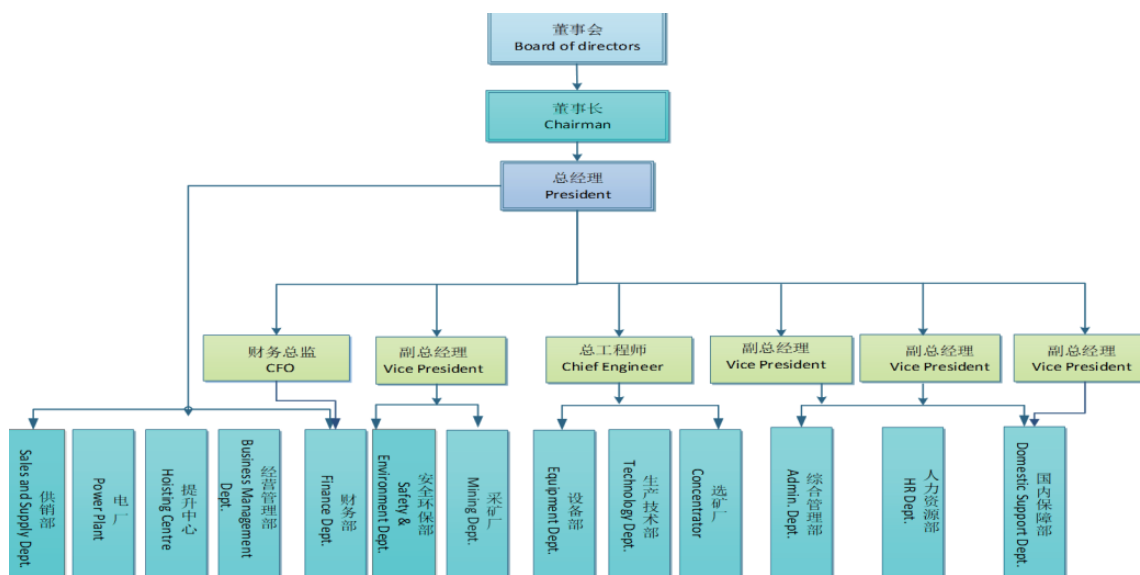
3. *Historical Evolution of the Evaluated Entity*

MCC Huaye Duddar Mining Company (PVT.) Limited obtained its corporate registration certificate from the Quetta Registry of the Securities and Exchange Commission of Pakistan (SECP) on October 1, 2014. The company's registered capital is PKR 7,000,000.00 (converted to USD66,413.66 based on the foreign exchange rate of USD1 = PKR 105.4 announced by the National Bank of Pakistan on December 1). The company's registered address is: Duddar Export Processing Zone, Lasbela District, Balochistan Province, Pakistan. The equity of MHD is 100% held by China Huaye Group Company Limited.

As of the valuation date of July 31, 2025, the equity structure and contribution details of MHD have remained unchanged.

4. Enterprise Organizational Structure

The organizational chart of MHD is as follows:



5. Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years

As of the valuation date, the audited total asset book value of MHD was USD101.3319 million, the total liability book value was USD75.2823 million, and the net asset book value was USD26.0496 million, per the audit by Baker Tilly China Certified Public Accountants (Special General Partnership). The primary assets and operating conditions of MHD as of the valuation date and for the preceding three years are presented in the following table:

**Overview of Financial Position and Operating Performance as of the Valuation
Date and for the Preceding Three Years**

Monetary Unit: USD10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	12,028.27	9,510.26	9,656.91	10,133.19
Total Liabilities	6,170.11	3,399.28	6,799.71	7,528.23
Total shareholders' equities	<u>5,858.16</u>	<u>6,110.98</u>	<u>2,857.19</u>	<u>2,604.96</u>
Item	2022	2023	2024	January-July 2025
Operating Revenue	12,237.59	8,564.03	10,656.81	8,491.62
Operating Costs	6,105.89	5,219.80	5,290.20	3,298.66
Operating Profit	4,180.46	1,641.52	3,501.74	3,855.68
Total Profit	4,170.72	1,641.52	3,501.74	3,855.68
Net Profit	4,170.72	1,612.35	2,116.93	2,081.38
Audit Firm	Ernst & Young Hua Ming LLP (Special General Partnership)	Ernst & Young Hua Ming LLP (Special General Partnership)	Ernst & Young Hua Ming LLP (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report Document No.	Ernst & Young Hua Ming (2023) S Zi No. 60923904_ A75	Ernst & Young Hua Ming (2024) S Zi No. 80009504_ A01	Ernst & Young Hua Ming (2025) S Zi No. 70122397 A05	TZY Zi [2025] No.40695
Audit Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions	Standard Unmodified Opinions

(III) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become users of this Valuation Report.

(IV) Relationship between the Client and the Evaluated Entity

The evaluated entity is a wholly-owned subsidiary of China Huaye Group Company Limited, a controlling subsidiary of the client.

II. VALUATION PURPOSE

According to the *Resolution of the Board of Director of China Minmetals Corporation (2025, 12th Meeting)*, the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. involves the equity of MCC Huaye Duddar Mining Company (PVT.) Limited. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to value the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. VALUATION OBJECT AND SCOPE**(I) Valuation Object**

The valuation object is the total equity value of the shareholders of MCC Huaye Duddar Mining Company (PVT.) Limited.

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

The valuation scope encompasses all assets and liabilities of MCC Huaye Duddar Mining Company (PVT.) Limited as of the valuation date, subsequent to audit. According to the audited financial statements as of the valuation date, the total asset book value was USD101.3319 million, the total liability book value was USD75.2823 million, and the net asset book value was USD26.0496 million.

The assets within the valuation scope include current assets and non-current assets. Current assets comprise monetary funds, accounts receivable, advance payments, other receivables, and inventory. Non-current assets include fixed assets, construction in progress, engineering materials, and intangible assets.

The liabilities within the valuation scope include current liabilities and non-current liabilities. Current liabilities comprise accounts payable, contract liabilities, employee benefits payable, taxes payable, and other payables. Non-current liabilities consist of long-term payables and estimated liabilities.

The book status of assets and liabilities is presented in the following table:

Monetary unit: USD10,000

Item	Book Value
Total Current Assets	5,072.29
Total Non-Current Assets	5,060.90
Including: Long-term Equity Investments	
Investment Properties	
Fixed Assets	4,123.03
Construction in Progress	937.59
Intangible Assets	0.28
Including: Intangible Assets – Land Use Rights	
Other Non-Current Assets	
Total Assets	10,133.19
Current Liabilities	5,326.37
Non-Current Liabilities	2,201.86
Total Liabilities	7,528.23
Total shareholders' equities	2,604.96

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

The above-mentioned entrusted valuation object and valuation scope are consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Monetary funds have a book value of USD23.6668 million, accounting for 23.36% of the total assets at book value, and consist of cash and bank deposits.
2. Accounts receivable have a book value of USD1.0861 million, accounting for 1.07% of the total assets at book value, and consist of receivables for lead and zinc concentrates.
3. Advance payments have a book value of USD1.2122 million, accounting for 1.20% of the total book assets, and consist of payments for goods and transportation costs.
4. Other receivables have a net book value of USD8.3863 million, accounting for 8.28% of the total assets at book value, and consist of receivables for inter-company balances, deposits, fund deposits, and expenses for canteen and logistical supplies.
5. Inventory assets have a book value of USD16.3716 million, accounting for 16.16% of the total book assets, and consist of raw materials, finished goods, and work in progress.
 - (1) The book value of raw materials is USD7,408,667.22, the inventory write-down provision is USD0.00, and the net book value is USD7,408,667.22. It mainly includes xanthate, solid copper sulfate, drill rods, and Deutz BF4M1013EC engines, etc. As of the valuation date, all were in normal working condition.
 - (2) The book value of finished products is USD7,836,213.10, the inventory write-down provision is USD0.00, and the net book value is USD7,836,213.10. It mainly includes zinc concentrate and lead concentrate. As of the valuation date, all were available for normal external sale.
 - (3) The book value of work in progress is USD1,126,689.26, the inventory write-down provision is USD0.00, and the net book value is USD1,126,689.26. It mainly consists of raw ore. As of the valuation date, all could be normally used for production.

6. The total net book value of fixed assets is USD41.2303 million, accounting for 40.69% of the total book assets. These primarily include buildings and structures, structures, mine development, machinery and equipment, vehicles, and electronic equipment. The buildings and structures of MHD mainly include the power plant building, warehouses and laboratories, the original machining workshop and warehouse, etc. The structures mainly include the Water Dam, the processing plant upgrade project, the Tailings Dam reinforcement project, and the Ecological Park, etc. The shaft and tunnel engineering primarily includes the 420-320 level main ventilation shaft, the 420-320 level fill back well shaft, and the 400-300 level waste rock chutes shaft, etc. The machinery and equipment mainly include scoop trams, air compressors, heavy oil generator sets, dry-type power transformers, and trolley wire electric locomotives, etc., all in normal operating and maintenance condition. The vehicles primarily consist of pickup trucks, buses, ambulances, refrigerated trucks, and other vehicles for work and daily use. The electronic equipment comprises items purchased by the enterprise to meet daily operational needs, such as thermal imaging heavy-duty three-head pan-tilts, UAV countermeasure systems, and drones, all in normal operating and maintenance condition.
7. The book value of construction in progress is USD9.3759 million, accounting for 9.25% of the total book assets. It mainly includes construction in progress – civil engineering works and engineering materials.
 - (1) Construction in progress – civil engineering works has book balance of USD7,932,276.03, with an impairment provision of USD0.00 and book value of USD7,932,276.03. This primarily includes projects such as the Detailed Supplementary Exploration Project for the North Ore Zone of the Duddar Lead-Zinc Mine, the Duddar Lead-Zinc Mine Deep Hoisting Project in Pakistan, and the Duddar Lead-Zinc Mine -200m Level Development Project. As of the valuation date, these projects were all still under construction.
 - (2) Engineering materials have book balance of USD1,443,621.90, with an impairment provision of USD0.00 and book value of USD1,443,621.90. These materials mainly include crushed stone (self-made) aggregate, expansion shell bolts, threaded steel, and galvanized steel wire ropes.
8. Intangible Assets have a book value of USD2,800, accounting for 0.00% of the total assets at book value. These consist of purchased office software by evaluated entity.

(IV) Types and Quantities of Off-Balance-Sheet Assets

As of the valuation date, July 31, 2025, the intangible assets reported by MHD but not recorded in the books include 1 mining right and 26 patents, comprising 22 utility model patents and 4 invention patents.

1. Intangible assets – mining rights consist of 1 mining right. The specific details are presented in the following table:

Serial Number	Name, Type (Exploration Right/Mining Right)	Exploration (Mining) License Number	Acquisition Method	Acquisition Date	Development Stage	Production Scale
1	Duddar lead-zinc mine mining right	ML-100(132)	Succession	2015/1/15	Southern ore zone mined; Northern ore zone in reconnaissance stage	2.3 million tons

Pursuant to the Lease Contract signed between MHD and the Government of Pakistan and the obtained Mining License, MHD has acquired the mining rights for the Duddar Lead-Zinc Mine for a 20-year term starting from January 15, 2015, and is required to pay an annual land fee of PKR 75,000. Furthermore, if the distributable profit (net profit) in any mining year exceeds the corresponding figures disclosed in the *Feasibility Study Report on the Capital Increase for the Duddar Lead-Zinc Mine Project of China Huaye Group Company Limited* ([Z1140–2014] Project) issued by China ENFI Engineering Corporation, a profit share of 25% of the distributable profit (net profit) shall be accrued and paid to PDMC. If the profit does not exceed the stated figures, the accrual rate shall be 20%. Based on comparative analysis, for the forecast period from August 2025 to December 2030, MHD shall accrue the profit share at the rate of 20%; for all other periods, the accrual shall be at the rate of 25%.

2. Intangible assets – others consist of 26 patents, including 22 utility model patents and 4 invention patents. The list of patents owned by the enterprise is as follows:

Serial Number	Recorded Right		Patent No./		Application Date	Date of	
	Holders	Actual Right Holder	Application No.	Patent Name		Authorization Publication	Patent Category
1	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201721754527.9	Mine filling anti-blocking system	2017/12/15	2018/5/31	Utility Model
2	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201821833044.2	Automatic flushing device for filling breather pipe of filling station	2018/11/7	2019/7/4	Utility Model
3	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201821909032.3	Flotation column shunting feeding concentration device	2018/11/19	2019/7/4	Utility Model
4	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201811435553.4	Micro-fine particle metallic zinc separation and beneficiation method and separation and beneficiation device	2018/11/28	2020/6/19	Inventions
5	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201822143131.1	Stope roof surrounding rock rapid consolidation device	2018/12/19	2019/9/4	Utility Model
6	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201822140729.5	Roof-contacted backfill supporting device for filling mining	2018/12/19	2019/8/29	Utility Model
7	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922145494.3	Deep well steel wire rope winding and unwinding device	2019/12/4	2020/8/10	Utility Model
8	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922134781.4	Well wall guniting system	2019/12/3	2020/7/27	Utility Model
9	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201911337452.8	Continuous mining method of unstable ore body	2019/12/23	2021/9/22	Inventions

Serial Number	Recorded Right		Patent No./		Application Date	Date of	Patent Category
	Holders	Actual Right Holder	Application No.	Patent Name		Authorization Publication	
10	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922329325.5	Disclosed is underground space roof supporting column	2019/12/23	2020/8/10	Utility Model
11	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	201922309290.9	Valve spring compressor	2019/12/20	2020/8/20	Utility Model
12	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120037849.1	Device for quickly consolidating drilling orifice pipe	2021/1/7	2021/11/2	Utility Model
13	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202110047454.4	Mine underground unstable stope supporting and reinforcing device and method	2021/1/14	2022/10/14	Inventions
14	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120124245.0	Hydraulic control device for mine safety door and car arrester	2021/1/18	2021/9/18	Utility Model
15	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120125734.8	Plate bending device	2021/1/18	2021/10/11	Utility Model
16	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202120479331.3	Water gushing device for blocking drill hole	2021/3/5	2021/11/10	Utility Model
17	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202123009889.4	Simple mine ramp traffic signal device	2021/12/2	2022/7/22	Utility Model
18	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202123156151.0	Middle hinge pin shaft device of loading machine	2021/12/15	2022/5/11	Utility Model
19	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202111562690.6	Method and system for treating refractory zinc middlings through machine column combined configuration	2021/12/20	2023/11/3	Inventions

Serial Number	Recorded Right		Patent No./		Application Date	Date of	
	Holders	Actual Right Holder	Application No.	Patent Name		Authorization Publication	Patent Category
20	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202123258138.6	Quick dismantling tool for carry-scraper tire	2021/12/20	2022/5/10	Utility Model
21	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202220026593.9	Bidirectional pressurization reinforcing and crushing top plate device	2022/1/6	2022/5/24	Utility Model
22	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202223378940.3	Pressure measuring device for cylinder head of generator set	2022/12/15	2023/5/22	Utility Model
23	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202223382533. X	Detaching tool based on belt pulley of impact crusher	2022/12/16	2023/5/12	Utility Model
24	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202320574814.0	Anti-falling device for link bolt of underground mine car	2023/3/22	2023/8/29	Utility Model
25	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	202320801134.8	Movable grinding device for cylinder head valve seat	2023/4/12	2023/8/18	Utility Model
26	China Huaye Group Company Limited	MCC Huaye Duddar Mining Company (PVT.) Limited	2024230917930	Loader Disc Brake Testing Platform	2024/12/13	2025/9/12	Utility Model

According to the patent certificates provided by the enterprise, the recorded right holders for the 26 patent assets within the current valuation scope are all China Huaye Group Company Limited. Communication with the enterprise's management revealed that these patent assets were independently developed by MCC Huaye Duddar Mining Company (PVT.) Limited. As overseas companies cannot apply for patent certificates in China, China Huaye Group Company Limited applied for registration on its behalf. The valuers have obtained and correspondingly verified the internal application and approval process documents for these patents within China Huaye Group Company Limited. The actual right holder of these patent assets is MCC Huaye Duddar Mining Company (PVT.) Limited.

(V) Use of Reports from Other Institutions

1. The book value data of various assets and liabilities as of the valuation date in this valuation report are sourced from the standard unmodified opinion audit report (TZY Zi [2025] No. 40695) issued by Baker Tilly China Certified Public Accountants (Special General Partnership).
2. The valuation of the intangible assets – mining right cited the *Mining Right Valuation Report on the Duddar Lead-Zinc Mine in Pakistan of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of MCC Huaye Duddar Mining Company (PVT.) Limited by Metallurgical Corporation of China Ltd.* (ZSZYKP Zi [2025] No. 010016) issued by SinoValue Assets Appraisal Co., Ltd. on December 3, 2025.

IV. BASE OF VALUE AND ITS DEFINITION

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

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

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

V. VALUATION DATE

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

The reasons for selecting this valuation date are: Valuation date meets the requirements of the relevant economic activity and facilitates the achievement of the valuation purpose. Furthermore, this valuation date aligns with the evaluated entity's month-end reporting date, enabling the asset valuation institution to fully utilize the enterprise's existing financial data and contributing to the successful completion of the valuation work.

VI. VALUATION BASES

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

(I) Economic Behavior Basis

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

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);
2. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);
3. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);
4. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);
5. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);
6. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);
7. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);
8. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);

9. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);
10. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);
11. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);
12. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);
13. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);
14. *Notice on Issuance of the “Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises”* (GZFCQ [2013] No. 64);
15. *Patent Law of the People’s Republic of China* (approved on March 12, 1984, by the 4th Session of the Standing Committee of the 6th National People’s Congress; amended on October 17, 2019, by the 22th Session of the Standing Committee of the 13th National People’s Congress);
16. *Rules for the Implementation of the Patent Law of the People’s Republic of China* (Decree No. 306 of the State Council of the People’s Republic of China, approved at the 95th Executive Meeting of the State Council on December 30, 2009);
17. *Accounting Standards for Business Enterprises* and other related accounting systems;
18. Other relevant laws, regulations, notices, and documents.

(III) Basis for Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43);
2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);
3. *Practice Standards for Assets Valuation – Asset Valuation Procedures* (ZPX [2018] No. 36);
4. *Practice Standards for Assets Valuation – Asset Valuation Report* (ZPX [2018] No. 35);
5. *Practice Standards for Assets Valuation – Assets Valuation Method* (ZPX [2019] No. 35);
6. *Practice Standards for Assets Valuation -Asset Valuation Engagement Contract* (ZPX [2017] No. 33);
7. *Practice Standards for Assets Valuation – Assets Valuation File* (ZPX [2018] No. 37);
8. *Practice Standards for Assets Valuation – Property* (ZPX [2017] No. 38);
9. *Practice Standards for Assets Valuation – Machinery and Equipment* (ZPX [2017] No. 39);
10. *Practice Standards for Assets Valuation – Enterprise Value* (ZPX [2018] No. 38);
11. *Practice Standards for Assets Valuation – Intangible Assets* (ZPX [2017] No. 37);
12. *Guidelines for Asset Valuation Reports on State-Owned Enterprises* (ZPX [2017] No. 42);
13. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);
14. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);
15. *Guidance on Patent Asset Valuation* (ZPX [2017] No. 49);

16. *Guidelines for Asset Valuation Expert No. 12 – Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);
17. *Guidelines for Asset Valuation Expert No. 8 – Verification and Validation during Asset Valuation* (ZPX [2019] No. 39);
18. Announcement No. 5 of 2008 of the China Association of Mineral Resources Appraisers (comprising 9 China mineral right valuation standards);
19. Announcement No. 6 of 2008 of the China Association of Mineral Resources Appraisers, *Announcement on the Release of the “Guidance on the Determination of Mineral Right Valuation Parameters”* (CMVS30800–2008);
20. Announcement No. 5 of 2010 of the China Association of Mineral Resources Appraisers, *Announcement on the Release of 8 China Mineral Right Valuation Standards including “Standard for Mineral Rights Appraisal Project Working Papers (CMVS11200–2010)”*;
21. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48);

(IV) Basis of Asset Ownership

1. Business license;
2. Enterprise capital contribution proof documents;
3. *Letter of Ownership Commitment*;
4. *Mining License* (ML-100(132));
5. Major asset purchase contracts or vouchers;
6. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Basis for Valuation

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;
2. Financial statements and detailed financial ledgers of the valuation date and the previous year;
3. Materials related to financial management, production and operation, and market sales provided by the enterprise;
4. Enterprise revenue, cost, expense analysis, and forecasting materials;
5. The enterprise's fixed asset depreciation method;
6. Enterprise development plans, investment projects, and data on required funds for future years;
7. The enterprise's financial accounting system;
8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;
9. Selected contracts and agreements provided by the enterprise;
10. Data analyzing the enterprise's industry position and market competition;
11. Current national and local tax policies and regulations;
12. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;
13. Relevant data on A-share listed companies provided by the iFinD software;
14. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;
15. Relevant financial data and other materials provided by the enterprise;

16. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;
17. Statistics of recent LBMA monthly average prices published by the London Bullion Market Association;
18. Statistics of London Metal Exchange (LME) monthly average prices (middle price);
19. Relevant data from the enterprise's 2014 asset acquisition;
20. *Mineral Resource Development and Utilization Plan for the Duddar Lead-Zinc Mine, Balochistan Province, Pakistan* issued by Northern Engineering & Technology Corporation (Dalian), MCC;
21. *Provisions on Compulsory Retirement Standards for Motor Vehicles* (Decree No. 12 of 2012 jointly issued by the Ministry of Commerce, National Development and Reform Commission, Ministry of Public Security, and Ministry of Environmental Protection);
22. The lease agreement signed between MHD and the Government of Pakistan;
23. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;
2. *Manual of Common Data and Parameters for Asset Valuation*;
3. Important business contracts provided by the enterprise;
4. Market research data collected by the asset valuation professionals;
5. Relevant materials from online inspections and inquiries/confirmations conducted by the asset valuation professionals;
6. Relevant materials provided by the enterprise's related departments and personnel;
7. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. VALUATION METHOD

(I) Selection of Valuation Method

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

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

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation assumes the continuance of the valuation object as a going concern. The enterprise can provide complete historical operational and financial data. Management has conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future earnings and operational risks can be quantified, meeting the basic conditions for applying the income approach.

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

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

(II) Method for Determining the Valuation Conclusion

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

VIII. APPLICATION OF SPECIFIC VALUATION METHOD FOR VARIOUS ASSETS AND LIABILITIES UNDER THE ASSET-BASED APPROACH**(I) Valuation of Current Assets****1. Monetary Funds**

Monetary funds include cash and bank deposits.

For the valuation of monetary funds, the asset valuation professionals, accompanied by the company's cashier, supervised the physical count of cash on hand. The rollback method was used to verify the cash balance at the valuation date, which was then checked against the cash journal and the general ledger cash account balance as of the valuation date to confirm the valuation value. The valuation value was confirmed as the verified book value. The asset valuation professionals verified bank deposits by examining bank statements, reconciliation statements, and confirming the bank confirmation letters performed by the audit firm. For bank deposits, the valuation value was confirmed as the verified book value.

2. Accounts Receivable

The asset valuation professionals reviewed relevant contracts, agreements, and original vouchers, and verified the confirmation letters obtained by the auditors. Based on this verification, and utilizing historical data and findings from online video surveys, they conducted a detailed analysis of the amounts, aging and reasons for the debts, debt recovery status, as well as the fund status, creditworthiness, and operational management of the debtors. The valuation value was determined based on the amount likely to be recovered for each individual debt. For receivables that were fully collectible, the valuation value was equal to the total book value of the receivable. For receivables with potential uncollectible portions, where the uncollectible amount could not be precisely determined, a risk loss estimate was applied. The valuation value was determined by deducting the valuated risk loss from the total book value of the receivable.

3. Advance payments

The valuers reviewed relevant material procurement contracts or supply agreements and ascertained the services already received and goods already obtained between the valuation date and the date of the on-site valuation work. No instances were found where suppliers had gone bankrupt, been dissolved, or were unable to provide goods or services as per the contracts. Therefore, the verified book value was taken as the valuation value.

4. Other Receivables

For the valuation of Other Receivables, the asset valuation professionals reviewed the relevant accounting records and original vouchers, verified the confirmation letters obtained by the auditors, and found no evidence of bad debts caused by debtor bankruptcy, closure, death, disappearance, or other force majeure events. However, it cannot be guaranteed that bad debt losses will not occur in the future. Furthermore, considering that these receivables cannot be collected in a lump sum on the valuation date, and the specific timing of collection is uncertain, the time value of money must also be considered. Therefore, the asset valuation needs to account for the risk of loss. The asset valuation professionals determined that the amount of bad debt provision accrued in the accounts is essentially equivalent to the estimated valuation risk loss amount. Therefore, the valuation value of the receivables is confirmed at their book value, and the bad debt provision is assessed as zero in accordance with the regulations.

5. Inventory

Inventory primarily includes raw materials, finished goods, and work in progress.

The valuers reconciled the inventory valuation declarations with the general ledger, subsidiary ledgers, and financial statements, and examined relevant accounting records and original vouchers to confirm the existence and ownership of the inventory. Additionally, the valuers gained an understanding of the enterprise's internal control system for inventory and, by reviewing recent inventory inbound and outbound records, grasped the inventory turnover situation. They also verified the quality and storage duration of the inventory. Finally, the valuers conducted a sample physical count of the inventory jointly with the enterprise's inventory custodians. Based on this, and combined with the inventory movement records between the physical count date and the valuation date, they calculated the actual quantity of inventory existing as of the valuation date.

(1) Raw materials

The valuation value of raw materials was determined by multiplying the verified quantity by the current market purchase price, then adding reasonable transportation and miscellaneous expenses, loss, inspection, sorting, and storage fees, and other reasonable expenses. The evaluated entity uses actual cost accounting for raw materials, and the book value includes the purchase price and other reasonable costs. For some older, small-scale equipment, it was appraised as part of machinery and equipment assets. For raw materials with minimal price fluctuation, the verified book value was used as the valuation value.

(2) Finished products

For finished goods, the valuation value was determined based on their sale price excluding taxes, minus sales expenses, all applicable taxes, and an appropriate amount of after-tax net profit. The calculation formula is as follows:

Valuation value of finished goods = Quantity of finished goods × Valuation unit price of finished goods

Valuation unit price of finished goods = unit sale price excluding tax × 1 – sales expense rate – tax and surcharge rate – operating profit margin × corporate income tax rate – operating profit margin × (1 – corporate income tax rate) × profit deduction rate

Among them, the quantity of finished goods is determined based on the actual quantity existing as of the valuation date. The unit sale price excluding tax is determined based on the recent sale price excluding tax of the finished goods around the valuation date. The sales expense rate, tax and surcharge rate, and operating profit margin are determined based on an analysis of historical financial statements. The corporate income tax rate is the rate applicable to the enterprise as of the valuation date. The profit deduction rate is determined based on the sales status of the finished goods: 0% for fast-selling products, 50% for normally selling products, and 100% for slow-selling products.

(3) Work in progress

For work in progress (self-made semi-finished products), due to the complexity of the enterprise's production process, it is difficult to convert the various WIP items into equivalent units of the final finished product. Therefore, in the valuation, the valuation value is determined by first converting their value into a sale price excluding tax based on the enterprise's gross profit margin on sales, and then deducting sales expenses, all applicable taxes, and a portion of the after-tax net profit. The calculation formula is as follows:

Valuation value of work in progress (self-made semi-finished products) = quantity of work in progress (self-made semi-finished products) $\times$ valuation unit price of work in progress (self-made semi-finished products)

Valuation unit price of work in progress (self-made semi-finished products) = converted unit sale price of work in progress (self-made semi-finished products) $\times$ 1 – sales expense rate – tax and surcharge rate – operating profit margin $\times$ corporate income tax rate – operating profit margin $\times$ (1 – corporate income tax rate) $\times$ profit deduction rate

Converted unit sale price of work in progress (self-made semi-finished products) = book unit price $\times$ 1 + gross profit margin on sales $\div$ (1 – gross profit margin on sales)

Among them, the quantity of work in progress (self-made semi-finished products) is determined based on the actual quantity existing as of the valuation date. The unit selling price excluding tax is determined by converting the book unit price of the work in progress (self-made semi-finished products) using the gross profit margin on sales. The sales expense rate, tax and surcharge rate, and operating profit margin are determined based on an analysis of historical financial statements. The corporate income tax rate is the rate applicable to the enterprise as of the valuation date. The profit deduction rate is determined based on the sales status of the work in progress (self-made semi-finished products): 0% for fast-selling products, 50% for normally selling products, and 100% for slow-selling products.

(II) Valuation of Building and Structure Assets**1. Valuation method for buildings and structures**

According to the relevant provisions of the *Practice Standards for Assets Valuation – Property*, the appropriate Valuation method shall be selected based on the characteristics of the valuation objects, bases of value, data collection status, and other relevant conditions, analyzing the applicability of the market approach, income approach, cost approach, and hypothetical development method.

Analysis of method applicability:

As the subject buildings and structures are self-built production facilities, and overall lease information for similar surrounding buildings cannot be ascertained, the conditions for applying the income approach are not met.

As the subject buildings and structures are self-built production facilities, market transaction cases for the overall sale of similar surrounding buildings cannot be obtained. Therefore, the market approach cannot be used to value the value of the subject buildings and structures.

As the building and structure assets are self-built production facilities, the valuers can obtain the engineering consumption indicators required for the replacement cost method and the price information for labor, materials, and machinery usage as of the valuation date. The conditions for applying the replacement cost method are met.

The valuation objects are already developed and in use, which does not conform to the application conditions and scope of the hypothetical development method. Therefore, this method was not selected.

In conclusion, the replacement cost method was adopted for the valuation. Its calculation formula is generally expressed as:

Valuation value = replacement cost × comprehensive newness rate

(1) *Determination of replacement cost*

Replacement cost = comprehensive construction and installation cost (including tax) + preliminary and other expenses (including tax) + costs of capital

1) Comprehensive construction and installation cost

For assets where the engineering settlement or financial final account data upon completion is available, the final account adjustment method is used. This method bases the calculation on the relevant engineering settlement, adjusting for cost differences between the completion date and the valuation date by referencing the engineering settlement and the standards for labor, material, and machinery costs as of the valuation date, ultimately deriving the comprehensive construction and installation cost.

For buildings and structures with low value and simple buildings (structures), the unit cost method is used to determine their replacement unit price.

2) Preliminary and other expenses

Preliminary and other expenses are calculated based on the equity holder's project construction investment amount and the fee standards stipulated by industry, national, or local government regulations.

3) Cost of capital

Cost of capital represents the loan interest on funds invested in the project during the construction period. The interest rate used is calculated based on the loan prime rate (LPR). The construction period is calculated based on a normal and reasonable project duration, and the funds are assumed to be invested uniformly.

Cost of capital = (comprehensive construction and installation cost (including tax) + preliminary and other expenses (including tax)) $\times$ loan interest rate during the construction period $\times$ reasonable construction period $\div 2$

The loan interest rate adopted is the one-year loan prime rate (LPR) published by the National Interbank Funding Center authorized by the People's Bank of China on the valuation date.

(2) *Determination of comprehensive newness rate*

The buildings and structures included in this valuation scope serve the mining operations. Based on communication with the enterprise's management, once the mineral resources are depleted and cannot be effectively recovered, their economic life also concludes. The newness rate is determined comprehensively based on the lower of the remaining service life determined by the recoverable reserves and the remaining service life determined by the economic life, combined with online surveys, historical renovation and upgrade records of the buildings, and their maintenance condition.

The newness rate is determined using the following formula:

Newness rate = remaining usable life/(years in service + remaining usable life)

For building assets in normal use, the newness rate generally shall not be lower than 30%.

(3) *Determination of valuation value*

Valuation value = replacement cost × comprehensive newness rate

2. *Valuation method for shaft and tunnel engineering*

Based on the condition of the assets subject to valuation, the shaft and tunnel engineering is valued using the replacement cost method.

Based on the condition of the assets subject to valuation, the shaft and tunnel engineering is valued using the replacement cost method. For the valuation of the shaft and tunnel assets, the full replacement cost is determined using the re-budgeting method, based on the engineering data provided by the enterprise and combined with the physical survey. The newness rate is determined comprehensively based on the service life of the shafts/tunnels and the remaining recoverable reserve situation, thereby calculating the valuation value of the shaft and tunnel assets.

Valuation Value = Full Replacement Cost × Newness Rate

(1) *Full replacement cost*

Full replacement cost = construction engineering cost + preliminary and other expenses + costs of capital

1) Comprehensive cost of shaft and tunnel engineering

The comprehensive engineering cost for underground works is calculated based on the physical quantities and the current 2019 edition *Budgetary Norm for Non-ferrous Metal Industry Mine Shaft and Tunnel Engineering* and its associated fee standards. The calculation formula is as follows:

Comprehensive cost = direct quota fees + auxiliary quota fees + enterprise management fees + profit + organizational measures fees + other project fees + statutory fees + taxes

Wherein: Direct quota fees are determined by applying the 2019 edition *Budgetary Norm for Non-ferrous Metal Industry Mine Shaft and Tunnel Engineering* (Direct Cost portion) based on construction method, excavation cross-section, support method, support materials, and support thickness.

Auxiliary quota fees are determined by applying the 2019 edition *Budgetary Norm for Non-ferrous Metal Industry Mine Shaft and Tunnel Engineering* (Auxiliary Cost portion) based on development method and shaft phase, tunnel phase, tunnel length in the final construction zone, total engineering quantity, tunnel cross-section, and shaft length.

Enterprise management fees, profit, organizational measures fees, other project fees, statutory fees, and taxes are calculated according to the 2019 edition *Non-ferrous Metal Industry Construction and Installation Engineering Cost Norms, Other Project Cost Norms* (ZSXX Zi [2019] No. 204), combined with the specific mine construction situation. The material prices are based on prices collected on-site.

2) Preliminary engineering and other expenses

Preliminary and other expenses include construction fees levied by local government regulations and other expenses incurred by the construction unit for the project beyond the construction and installation cost. Details are provided in the table below.

Schedule of Preliminary and Other Expenses for Shafts and Tunnels

Serial Number	Fee Name	Charge Base	Rate	Basis for Charge
1	Construction unit management fee	Construction and installation engineering costs	0.99%	CJ [2016] No. 504
2	Survey and design fee	Construction and installation engineering costs	2.98%	FGJG [2015] No. 299
3	Engineering supervision fee	Construction and installation engineering costs	1.59%	FGJG [2015] No. 299
4	Engineering bidding agency service fee	Construction and installation engineering costs	0.08%	FGJG [2015] No. 299
5	Feasibility study fee	Construction and installation engineering costs	0.23%	FGJG [2015] No. 299
6	Mine tunnel maintenance fee	Cost of shaft and tunnel engineering	1.00%	Non-ferrous metals industry construction other expense norms (2019 Edition 3.20)
	Subtotal		6.87%	

3) Determination of costs of capital

Cost of capital represents the loan interest on funds invested in the project during the construction period. The interest rate used is based on the Loan Prime Rate (LPR) published on July 21, 2025, by the National Interbank Funding Center authorized by the People's Bank of China. The construction period is calculated based on a normal and reasonable project duration, assuming uniform investment of funds:

Cost of capital = (construction and installation engineering cost + preliminary engineering and other expenses) × loan interest rate × construction period × 1/2

(2) *Determination of newness rate*

The underground engineering works included in this valuation scope serve the mining operations. Their economic life concludes simultaneously with the depletion of the mineral resources. The newness rate is determined based on the lower of the remaining service life calculated from the recoverable reserves and the remaining service life calculated from the economic life. The calculation formulas are as follows:

$$\text{Newness rate} = \text{remaining service life} / (\text{years in service} + \text{remaining usable life}) \times 100\%$$

$$\text{Remaining service life (based on recoverable reserves)} = \text{utilized recoverable reserves used in the valuation} / (\text{mine production capacity} / (1 - \text{dilution rate}))$$

(3) *Determination of valuation value*

$$\text{Valuation value} = \text{replacement cost} \times \text{newness rate}$$

(III) Valuation of Equipment Assets

1. Selection of Valuation methods

In accordance with the *Practice Standards for Assets Valuation – Machinery and Equipment*, when conducting the appraisal of machinery and equipment, the applicability of the three fundamental asset Valuation methods of cost approach, market approach and income approach shall be analyzed based on the valuation purpose, valuation object, bases of value, and data collection status, to select the appropriate Valuation method.

The equipment being valued lacks independent earning capacity, making the income approach unsuitable. The absence of an active transaction market for the equipment renders the market approach unsuitable. As the replacement price for the subject equipment can be obtained from the market, the replacement cost method is primarily adopted for this equipment valuation.

2. *Description of Valuation method*

The replacement cost method for equipment valuation involves estimating the updated replacement cost of new equipment and then deducting physical deterioration, functional obsolescence, and economic obsolescence, or determining the valuation value based on the comprehensive newness rate. The replacement value of equipment generally includes all reasonable direct and indirect costs required to repurchase or reconstruct a new asset with the same utility as the valuation object, such as the purchase price of the equipment, transportation and miscellaneous expenses, equipment foundation costs, installation and commissioning costs, preliminary and other expenses, and costs of capital. The calculation formula used in the valuation is:

Valuation value = replacement cost × comprehensive newness rate

(1) Machinery and equipment

1) Replacement cost

The replacement cost of machinery and equipment comprises the equipment purchase price, transportation and miscellaneous expenses, installation costs, foundation costs, other expenses, and costs of capital.

Replacement cost calculation formula:

Replacement Cost = Equipment Purchase Price + transportation and miscellaneous expenses + installation and commissioning costs + foundation costs + preliminary and other expenses + costs of capital

A. Purchase price

The purchase price for domestic standard equipment is determined comprehensively by consulting the *2025 Mechatronics Product Price Information Query System* (Machinery Industry Information Research Institute), conducting online price inquiries, obtaining the latest market transaction prices from manufacturers or trading companies, and referencing recent purchase prices for similar equipment by the enterprise. For equipment where the purchase price cannot be directly queried, the price is estimated using the index adjustment method, referencing the producer price index for the industrial sector of the same industry.

B. Transportation and miscellaneous expenses

These expenses are calculated based on the purchase price including tax, applying different transportation and miscellaneous expense rates that account for loading, unloading, transportation, storage, insurance, and other related costs incurred between the manufacturer and the equipment location. Transportation and miscellaneous expenses are not added separately if already included in the purchase price.

The calculation formula of the transportation and miscellaneous expenses is as follows:

Equipment transportation and miscellaneous expenses = equipment purchase price $\times$ transportation and miscellaneous expense rate

C. Installation and commissioning cost

The installation and commissioning rate is determined primarily by referring to relevant equipment installation rates in the *Handbook of Commonly Used Data and Parameters for Asset Valuation*, while also considering the consumption of auxiliary materials, foundation conditions, installation complexity, and an analysis of the evaluated entity's historical installation cost expenditures. Installation costs are not considered for small, non-fixed equipment that requires no installation.

The calculation formula of the installation and commissioning costs is as follows:

Installation and commissioning costs = equipment purchase price $\times$ installation and commissioning rate

D. Foundation cost

Foundation costs are not considered if the equipment does not require a separate foundation. For equipment requiring a separate foundation, costs are determined by referencing project budget estimates or settlement data, utilizing reference foundation rates provided in the *Handbook of Commonly Used Data and Parameters for Asset Valuation*, and analyzing the evaluated entity's actual expenditures.

The calculation formula of the foundation costs is as follows:

Foundation cost = equipment purchase price $\times$ foundation rate

E. Preliminary and other expenses

Other expenses include construction unit management fees, feasibility study report and evaluation fees, design fees, engineering supervision fees, etc. These are calculated based on the standard rates for other construction project expenses at the equipment's location, considering the specific characteristics of the equipment itself.

Preliminary and other expenses = (equipment purchase price + transportation and miscellaneous expenses + installation and commissioning costs + foundation costs) $\times$ rate

F. Cost of capital

Costs of capital for major equipment necessary for the enterprise's normal production is determined based on the project's reasonable construction period and prevailing financial institution loan interest rates (assuming funds are invested uniformly). The interest rate used is the loan prime rate published in July 2025 by the National Interbank Funding Center authorized by the People's Bank of China.

Costs of capital = (equipment purchase price + transportation and miscellaneous expenses + installation and commissioning costs + foundation costs + preliminary and other expenses) $\times$ reasonable construction period $\times$ loan interest rate $\times$ 1/2

2) Newness rate

For machinery and equipment, the newness rate is determined with reference to the equipment's economic life. Through online surveys of the current condition of the equipment and reviewing relevant records of operation, maintenance, and equipment management, the various components of the equipment are inspected to comprehensively determine its remaining usable life. The newness rate (N) is then calculated as follows:

$$N = \text{remaining usable life} / (\text{actual years in service} + \text{remaining usable life}) \times 100\%$$

3) Valuation value

$$\text{Valuation value} = \text{replacement cost} \times \text{newness rate}$$

(2) Transport vehicles

The cost approach was used for the vehicle valuation.

1) Vehicle replacement cost

The vehicle replacement cost is the vehicle purchase price. The purchase price is determined mainly by referencing the latest market prices for transactions of similar models.

$$\text{Vehicle replacement cost} = \text{vehicle purchase price}$$

2) Determination of comprehensive newness rate

The vehicle's newness rate is determined based on the lower of the rates calculated by the vehicle's mileage and its service life. This is then weighted with the condition observed during the online survey to determine the comprehensive newness rate.

$$\text{Comprehensive newness rate} = \text{theoretical newness rate} \times 40\% + \text{survey-based newness rate} \times 60\%$$

Age-based newness rate = (statutory service life – years in service)/statutory service life $\times$ 100%

Mileage-based newness rate = (statutory mileage limit – accumulated mileage)/statutory mileage limit $\times$ 100%

Survey-based newness rate: Determined through comprehensive analysis based on the online survey of the vehicle's condition, including the body exterior, engine compartment, driver's cabin, startup, road test, chassis, and functional components.

3) Determination of vehicle valuation value

Valuation value = full replacement cost $\times$ comprehensive newness rate

(3) Valuation of electronic equipment

1) Determination of the electronic equipment replacement cost

Based on local market information and recent market price data from sources such as *ZOL and PConline*, the price of the electronic equipment as of the valuation date is determined. As manufacturers or distributors typically provide free delivery, installation, and commissioning, the replacement cost is taken as the purchase price including tax:

Replacement cost = purchase price

2) Electronic equipment Newness rate

The newness rate for electronic equipment is determined using the age-life method.

Newness rate = (remaining usable life/(years in service + remaining usable life)) $\times$ 100%

3) Determination of valuation value

Valuation value = replacement cost $\times$ electronic equipment newness rate

(IV) Valuation of Construction in Progress

The cost approach was adopted for the valuation, based on the characteristics of the construction in progress, bases of value, data collection status, and other relevant conditions. To avoid double-counting or omitting asset values, and considering the nature of construction in progress, the following Valuation methods were applied to various unfinished projects:

For projects where the commencement date is within six months of the valuation date, the valuation value is determined based on the verified book value, adjusted by eliminating any unreasonable expenditure.

For projects commenced more than six months before the valuation date and progressing normally, if the prices of labor, materials, machinery, etc., related to the investment have not fluctuated significantly during this period, the valuation value is determined by taking the book value excluding cost of capital, deducting unreasonable expenditures, and adding an appropriate amount of the cost of capital. If the investment prices for labor, materials, machinery, etc., have changed significantly, the replacement value is determined based on the total cost required to recreate the completed portion of the project as of the valuation date under normal circumstances. If significant physical, functional, or economic obsolescence exists, the corresponding obsolescence amounts are deducted; otherwise, the obsolescence amount is zero.

(V) Valuation of Engineering Materials

The valuation value of engineering materials was determined by multiplying the verified quantity by the current market purchase price, then adding reasonable transportation and miscellaneous expenses, loss, inspection, sorting, and storage fees, and other reasonable expenses. The evaluated entity uses actual cost accounting for engineering materials, and the book value includes the purchase price and other reasonable costs. For engineering materials with significant price fluctuations, the valuation value is based on the market price as of the valuation date, considering reasonable expenses. For small equipment purchased earlier with significant price fluctuations, it is valued as part of machinery and equipment assets. For engineering materials with minimal price fluctuation, the verified book value is used as the valuation value.

(VI) Valuation of Intangible Assets – Mining Rights

The valuation of the intangible asset – mining right cited the *Mining Right Valuation Report on the Duddar Lead-Zinc Mine in Pakistan of MCC Huaye Duddar Mining Company (PVT.) Limited Involved in the Proposed Equity Transfer of MCC Huaye Duddar Mining Company (PVT.) Limited by Metallurgical Corporation of China Ltd.* (ZSZYKP Zi [2025] No. 010016)) issued by SinoValue Assets Appraisal Co., Ltd. on December 3, 2025. The valuation object was the mining right of MCC Huaye Duddar Mining Company (PVT.) Limited and the valuation scope was the area specified on the mining license. The valuation value was USD124,309,300.00.

The valuation purpose, object and scope, valuation date, economic behavior documents serving as the valuation basis, underlying assumptions, and validity period of the conclusions in the cited mining right valuation report are consistent with those in this asset valuation report.

(VII) Valuation of Intangible Assets – Other Intangible Assets**1. Purchased software**

For the valuation of purchased software intangible assets, the office software within the current valuation scope was purchased recently. The asset valuation professionals determined the valuation value based on current market prices.

2. Patent assets

The fundamental Valuation methods for technology-based intangible assets include the cost approach, income approach, and market approach.

Due to the highly unique nature of technology-based intangible assets, the requirements and difficulty of comparing different technologies are significant. It is challenging to collect transaction cases of similar technology-based intangible assets and their specific details. Therefore, the market approach is not applicable for the valuation.

As the valued technology-based intangible assets contribute significantly to the enterprise's income, and their cost bears a weak correspondence to their value, the cost approach struggles to reflect their true value accurately. Hence, the cost approach is also not applicable for the valuation.

As the valued technology-based intangible assets possess certain earning capacity, the income approach can reflect the contribution of each intangible asset to the earnings. Furthermore, the future income contribution can be forecasted and measured in monetary terms, and the risks associated with obtaining the expected income can also be quantified. Therefore, the income approach (specifically the revenue split method) was adopted for the valuation. This method estimates the contribution of the technology-based intangible assets to sales revenue by applying a revenue split rate to the forecasted future technology-related operating revenue. This future income stream is then discounted to its present value using an appropriate discount rate to determine the valuation value of the technology-based intangible assets. The basic formula is as follows:

$$P = \sum_{i=1}^n \frac{R_i \times K}{(1+r)^i}$$

Wherein: V – Valuation value of the technology;

r – Discount rate for the technology;

n – Income duration (remaining economic life) of the technology

Fi – Technology-related operating revenue in future period i;

K – Revenue split rate for the technology in future periods.

(VIII) Valuation of Liabilities

The liabilities declared by the enterprise consist of current liabilities and non-current liabilities. Current liabilities comprise accounts payable, contract liabilities, employee benefits payable, taxes payable, and other payables. Non-current liabilities consist of long-term payables and estimated liabilities. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. APPLICATION OF SPECIFIC VALUATION METHODS IN THE INCOME APPROACH

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

(I) Income Basis – Free Cash Flow To the Firm

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

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) – Capital expenditures – Change in net working capital.

(II) Income Period

The revenue forecast period for the enterprise is considered finite, totaling 28.42 years, from August 2025 to December 2053.

(III) Discount Rate

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

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

Wherein: E: The target equity value of the valuation object;

D: The target debt capital value of valuation object;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

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

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

Wherein: Rf: Risk-free rate of return;

β_e : Equity risk coefficient;

Rm: Expected market rate of return;

α : Company-specific risk adjustment factor.

(IV) Valuation Calculation Formula for the Income Approach

The calculation formula for the income approach used for the evaluated entity in this valuation is as follows:

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

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

Ai – Free cash flow to the firm in year i of the operation period;

B – Working capital recovered at the end of the revenue period;

C – Recoverable residual value at the end of the revenue period;

R – Discount rate;

n – Forecast period of the enterprise's revenue duration, n=1,2,3,...;

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

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

X. IMPLEMENTATION PROCESS AND SITUATION OF THE VALUATION PROCEDURES

The asset valuation professionals performed the online valuation work for the assets and liabilities involved in the valuation object from October 9, 2025, to October 25, 2025. The implementation process of this valuation procedure is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

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

(II) Signing the Asset Valuation Engagement Contract

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

(III) Preparation of the Valuation Plan

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

(IV) Asset Investigation and Verification

Based on the specifics of the valuation assignment, we conducted appropriate online surveys of the valuation object. This included:

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;
2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;
3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and online inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.
4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

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

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;
2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;
3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

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

(VI) Data Reconciliation with the Audit Firm

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

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.
2. Key tasks for the income approach valuation involved asset valuation professionals' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the result under the income approach.
3. The preliminary results from the asset-based approach and the income approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to the Client.

XI. VALUATION ASSUMPTIONS**(I) General Assumptions**

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open Market Assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.
3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption for the Enterprise: It is assumed that the evaluated entity will continue legal operations until December 31, 2053, based on the production methods, scale, product mix, development technology level, and market supply and demand levels determined by the designed construction plan, and that its operating conditions will not undergo major changes in the foreseeable future.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of MHD and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.
7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. It is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.
2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

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

XII. EVALUATION CONCLUSION

In accordance with relevant national regulations concerning asset valuation, and adhering to the principles of independence, impartiality, and objectivity, along with the necessary valuation procedures, the market value of the shareholders' total equity interest of MCC Huaye Duddar Mining Company (PVT.) Limited has been valued. Based on the above valuation work, the following conclusion is presented:

(I) Asset-Based Approach Calculation Results

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary unit: USD10,000

Item		Book Value	Evaluation Conclusion	Appreciation/Depreciation	
				Appreciation/Depreciation	Appreciation/Depreciation Rate %
		A	B	C=B-A	D=C/A × 100%
Total Current Assets	1	5,072.29	6,081.33	1,009.04	19.89
Total Non-Current Assets	2	5,060.90	24,619.76	19,558.86	386.47
Including: Long-term Equity					
Investments	3	—	—	—	—
Investment Properties	4	—	—	—	—
Fixed Assets	5	4,123.03	11,252.18	7,129.16	172.91
Construction in Progress	6	937.59	263.16	-674.43	-71.93
Intangible Assets	7	0.28	13,104.42	13,104.14	4,682,658.97
Including: Intangible Assets –					
Land Use Rights	8	—	—	—	—
Other Non-Current Assets	9	—	—	—	—
Total Assets	10	10,133.19	30,701.09	20,567.90	202.98
Current Liabilities	11	5,326.37	5,326.37	—	—
Non-Current Liabilities	12	2,201.86	2,201.86	—	—
Total Liabilities	13	7,528.23	7,528.23	—	—
Total shareholders' equities	14	2,604.96	23,172.86	20,567.90	789.57

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB10000

Item		Book Value A	Evaluation Conclusion B	Appreciation/ Depreciation C=B-A	Appreciation/ Depreciation Rate % D=C/A × 100%
Total current assets	1	36,263.86	43,477.89	7,214.03	19.89
Total non-current assets	2	36,182.37	176,016.50	139,834.13	386.47
Including: Long-term equity investments	3	—	—	—	—
Investment properties	4	—	—	—	—
Fixed assets	5	29,477.16	80,446.35	50,969.19	172.91
Construction in progress	6	6,703.20	1,881.41	-4,821.79	-71.93
Intangible assets	7	2.00	93,688.74	93,686.74	4,682,658.97
Including: Intangible assets – land use right	8	—	—	—	—
Other non-current assets	9	—	—	—	—
Total assets	10	72,446.23	219,494.39	147,048.16	202.98
Current liabilities	11	38,080.37	38,080.37	—	—
Non-current liabilities	12	15,741.97	15,741.97	—	—
Total liabilities	13	53,822.34	53,822.34	—	—
Total shareholders' equities	14	18,623.89	165,672.05	147,048.16	789.57

According to the asset-based approach valuation, MHD's total assets have a book value of RMB724.4623 million and a valuation value of RMB2,194.9439 million, resulting in an appreciation amount of RMB1,470,4816 million and an appreciation rate of 202.98%. Total liabilities have a book value of RMB538.2234 million and a valuation value of RMB538.2234 million, with no change in value from the valuation. Total shareholders' equities have a book value of RMB186.2389 million and a valuation value of RMB1,656.7205 million, resulting in an appreciation amount of RMB1,470.4816 million and an appreciation rate of 789.57%.

(II) Income Approach Calculation Results

The total equity value of MCC Huaye Duddar Mining Company (PVT.) Limited, as of the valuation date, determined using the income approach, is RMB1,588.1212 million. This represents an increase of RMB1,401.8823 million, or 752.37%, compared to the company's book net asset value of RMB186.2389 million.

(III) Analysis of the Results from the Two Methods

From the above results, it can be observed that the asset-based approach valuation result is RMB68.5992 million higher than the income approach valuation result, a difference of 4.32%. A detailed analysis of the reliability and reasonableness of the valuation results from the two methods is provided below.

The income approach is grounded in assessing the asset's profit-generating capacity. It capitalizes or discounts the expected future earnings of the appraised enterprise to determine the valuation object value, reflecting a rationale based on earning prediction. The income approach valuation uses the expected earnings of the assets as the standard of value, reflecting the assets' operational capacity (profitability). In the valuation, the parameters and data used in the income approach are consistent with the revenue, cost, and expense parameters used in the valuation calculation of the core asset, the Duddar Lead-Zinc mining right.

The Asset-Based Approach derives its result based on the assets and liabilities existing as of the valuation date, valuating each item individually. The asset-based approach is a fundamental method for estimating enterprise value from an input perspective, offering a relatively intuitive reflection of the enterprise's value. We believe that the asset-based approach result, determined by appropriately measuring the core assets and reasonably valuating other assets and liabilities, is relatively more credible and robust, and better reflects the market value of the total shareholders' equity.

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

(IV) Valuation Conclusion

Subject to the assumptions and conditions set forth in this report, the total equity value of the total shareholders' equity of MHD subject to valuation as of the valuation date, July 31, 2025, is RMB1,656.7205 million, in words: RMB One billion six hundred and fifty-six million, seven hundred and twenty thousand five hundred only.

(V) Validity Period of the Valuation

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

XIII. Notes for Special Matters

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

- (I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.
- (II) This report is based on information required for the valuation provided by MHD, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.
- (III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) Notes on Limitations in valuation Procedures

1. Due to objective constraints, the asset valuation professionals were unable to conduct physical surveys of concealed works and relied solely on relevant documentation provided by the evaluated entity for verification.
2. During the valuation process, while inspecting the equipment, the valuation of the equipment's condition relied primarily on the asset valuation professionals' visual observations, recent inspection data provided by the evaluated entity, and inquiries made to relevant operators, due to limitations in testing methods and the fact that some equipment was in operation.
3. The primary assets of the evaluated entity are located in Pakistan. Given the current severe international situation, it was not feasible to conduct on-site physical asset counts or field surveys. Valuers utilized online surveys as an alternative procedure to complete the verification process for physical assets, enabling a relatively comprehensive understanding of their condition. After analysis, this matter will not have a significant impact on the valuation conclusion.

(V) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VI) Other Key Information Not Provided by the Client

None.

(VII) Matters Related to Mortgages and Guarantees

None.

(VIII) Incomplete Property Ownership Information, Existence of Defects Therein, and Other Situations Requiring Explanation

1. Based on the *Capital Injection Application, Entrusted Agreement for Overseas State-owned Assets Held in Personal Name*, and other relevant materials provided by the enterprise, the evaluated entity's articles of association indicate that all shareholders other than China Huaye Group Company Limited are nominee shareholders. MCC Huaye Duddar Mining Company (PVT.) Limited is a wholly-owned subsidiary of China Huaye Group Company Limited.

2. According to the patent certificates provided by the enterprise, the recorded right holders for the 26 patent assets within the current valuation scope are all China Huaye Group Company Limited. Communication with the enterprise's management revealed that these patent assets were independently developed by MCC Huaye Duddar Mining Company (PVT.) Limited. As overseas companies cannot apply for patent certificates in China, China Huaye Group Company Limited applied for registration on its behalf. The valuers have obtained and correspondingly verified the internal application and approval process documents for these patents within China Huaye Group Company Limited. The actual right holder of these patent assets is MCC Huaye Duddar Mining Company (PVT.) Limited.
3. The buildings and structures within the current valuation scope do not have ownership certificates. The evaluated entity has provided a *Letter of Ownership Commitment*, confirming that the aforementioned assets belong to MCC Huaye Duddar Mining Company (PVT.) Limited.

(IX) Explanation of Other Special Matters

1. The future profit forecast involved in the valuation is based on projections formulated by the management of MHD and confirmed by both MHD and the client. MHD is responsible for the authenticity, scientific validity, and completeness of the relevant data and information supporting the future profit forecast, as well as for the reasonableness and achievability of the forecast itself. It is the responsibility of the client and relevant parties to provide the necessary materials and ensure the authenticity, legality, and completeness of the materials provided; the responsibility of the asset valuation professionals is to analyze and estimate the value of the valuation object for the specific purpose at the valuation date and to express professional opinions.
2. The valuation assumptions used in this income approach valuation represent a reasonable prediction of the future operations of the valuation object under current conditions. If various unpredictable and unavoidable factors arise in the future that could affect the fulfillment of these assumptions, the degree to which the profit forecast is achieved may be impacted. The asset valuation professionals hereby remind the client and other relevant parties that we do not guarantee the fulfillment of the aforementioned assumptions, nor do we undertake any obligation to achieve or assist in achieving them.

(X) This valuation conclusion does not consider potential changes in tax obligations arising from the valuation appreciation or depreciation.

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

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

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

None.

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

XIV. ASSET VALUATION REPORT USAGE RESTRICTIONS

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

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

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

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

- (V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.
- (VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XV. DATE OF THE ASSET VALUATION REPORT

Date of this report: December 3,2025.

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

Asset Valuation Report

**on the Entire Equity Interest Project of
MCC-JJJ Mining Development Company Limited
Involved in the Proposed Transfer of a Subsidiary's Equity
by Metallurgical Corporation of China Ltd.**

ZSZYPB [2025] No. 010159

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

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

STATEMENT

- I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.
- II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.
- III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.
- VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.
- VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.
- VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

**on the Entire Equity Interest Project of
MCC-JJJ Mining Development Company Limited
Involved in the Proposed Transfer of a Subsidiary's Equity
by Metallurgical Corporation of China Ltd.**

ZSZYPB [2025] No. 010159

SUMMARY

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to appraise the market value of the entire equity interest of MCC-JJJ Mining Development Company Limited involved in the proposed transfer of a subsidiary's equity by Metallurgical Corporation of China Ltd., as of the valuation date, July 31, 2025. The main content of this Valuation Report is summarized as follows:

- I. Valuation Purpose:** According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. intends to transfer the equity of its subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to appraise the market value of the entire equity interest of MCC-JJJ Mining Development Company Limited involved in the proposed transfer of a subsidiary's equity, to serve as a reference for this transaction.
- II. Valuation Object and Scope:** The valuation object is the total equity value of the shareholders of MCC-JJJ Mining Development Company Limited. The valuation scope covers all assets and liabilities of MCC-JJJ Mining Development Company Limited. As of the valuation date, July 31, 2025, the company's total assets had a book value of RMB3,219.1833 million, total liabilities had a book value of RMB568.8594 million, and total shareholders' equities had a book value of RMB2,650.3239 million.
- III. Type of Value:** The type of value for the conclusion in this Asset Valuation Report is market value.
- IV. Valuation Date:** July 31, 2025.
- V. Valuation Method:** Both the asset-based approach and the income approach were employed. The valuation conclusion adopts the result calculated from the asset-based approach.

VI. Valuation Conclusion: The valuation determined that as of the valuation date, July 31, 2025, the shareholders' total equity value of MCC-JJJ Mining Development Company Limited is RMB7,513.8024 million. In words: RMB Seven Billion Five Hundred and Thirteen Million Eight Hundred and Two Thousand and Four Hundred Only. Compared with the parent company's book net assets of RMB2,650.3239 million, the appraised value increased by RMB4,863.4785 million, representing an appreciation rate of 183.51%; compared with the consolidated book net assets of MCC-JJJ Mining Development Company Limited of RMB3,598.1710 million, the appraised value increased by RMB3,915.6314 million, representing an appreciation rate of 108.82%.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

VII. Special Matters Affecting the Valuation Conclusion:

1. In July 2025, MCC-JJJ Mining Development Company Limited entered into a *Loan Contract* (Contract No. HETO18600000320250500000009) with the Export-Import Bank of China. According to the agreement, the purpose of loan is for: Ramu Nickel-Cobalt Project, Papua New Guinea; Loan Amount: RMB Three Hundred Million; the loan term is 12 months, commencing from the actual disbursement date. The annual interest rate is 2.4%, calculated using the Internal Rate of Return (IRR) method on a simple interest basis.
2. According to Article 5.6 of the *Master Agreement* (i.e., the Ramu NiCo Project Master Agreement) signed by MCC Ramu NiCo Limited, MCC Ramu NiCo Limited holds an 85% individual interest in the joint venture shares of the various partners. However, after other partners of the joint venture have repaid their loans, the individual interest held by MCC Ramu NiCo Limited in the joint venture will decrease to 80%. Since the aforementioned agreement only applies to the Phase I scenario without expansion, and this appraisal is based on the expansion scenario calculated according to the *Feasibility Study Report for the Ramu Phase II Expansion Project of Ramu NiCo Management (MCC) Limited*, prepared by *China ENFI Engineering Corporation* in May 2025, the potential decrease of MCC Ramu NiCo Limited's individual interest in the joint venture to 80% has not been considered, and an 85% interest is still applied. Users of this report are advised to take note.
3. Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

**on the Entire Equity Interest Project of
MCC-JJJ Mining Development Company Limited
Involved in the Proposed Transfer of a Subsidiary's Equity
by Metallurgical Corporation of China Ltd.**

ZSZYPB [2025] No. 010159

TEXT

To Metallurgical Corporation of China Ltd.,

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

The asset valuation condition is now reported as follows:

I. OVERVIEW OF THE CLIENT AND THE EVALUATED ENTITY

(I) Overview of the Client

Company Name:	Metallurgical Corporation of China Ltd. (Hereinafter referred to as "MCC")
Unified Social Credit Code:	91110000710935716X
Registered Address:	No. 28 Shuguang Xili, Chaoyang District, Beijing
Legal Representative:	Chen Jianguang
Registered Capital:	RMB20,723,619,170
Enterprise Type:	Joint Stock Limited Company (Listed, State-Controlled)
Date of Establishment:	December 1, 2008
Business Term:	December 1, 2008 to No Fixed Term

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

(II) Overview of the Evaluated Entity

1. Basic Information of the Enterprise

Company Name:	MCC-JJJ Mining Development Company Limited (Hereinafter referred to as "MCC-JJJ Mining")
Unified Social Credit Code:	911100007109349162
Registered Address:	Room 2101, Building 1, No. 28 Shuguang Xili, Chaoyang District, Beijing
Legal Representative:	Wang Zhou
Registered Capital:	RMB3,095,700,000
Enterprise Type:	Other limited liability companies
Date of Establishment:	August 6, 2007
Business Term:	August 6, 2007 to No Fixed Term

Business Scope:

Investment, operation, and management of metal and non-metal mineral resource projects; technical development, technical services, technical exchanges, and technology transfer relating to new materials, new processes, and new products for metal and non-metal mineral resources; import and export operations; sale of metal and non-metal mineral products, textiles, daily chemical products (excluding hazardous chemicals), rubber products, metal products, machinery and equipment, instruments and meters, plastic products, cultural goods, sports goods, communication equipment, and computers. (The enterprise shall independently choose their business items and conduct business activities in accordance with the law; for items that must be approved in accordance with the law, business activities shall be carried out in accordance with the approved content after obtaining approval from the relevant authorities; it shall not engage in business activities of items prohibited or restricted by the municipal industrial policies.)

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

As of the valuation date of July 31, 2025, the company's paid-in capital and registered capital status is as follows:

Serial Number	Name of Contributor	Registered Capital (RMB10,000)	Paid-in Capital (RMB10,000)	Shareholding Ratio
1	Metallurgical Corporation of China Ltd.	207,475.80	207,475.80	67.0206%
2	Jiuquan Iron and Steel (Group) Co., Ltd.	40,244.10	40,244.10	13.00%
3	Jilin Jien Nickel Industry Co., Ltd.	40,244.10	40,244.10	13.00%
4	Jinchuan Group Co., Ltd.	21,606.00	21,606.00	6.9794%
Total		309,570.00	309,570.00	100.00%

3. *Historical Evolution of the Evaluated Entity*

MCC-JJJ Mining Development Company Limited was approved by the State Administration for Industry and Commerce of the People's Republic of China and jointly established by Metallurgical Corporation of China Ltd., Jinchuan Group Co., Ltd., Jilin Jien Nickel Industry Co., Ltd., and Jiuquan Iron and Steel (Group) Co., Ltd. on August 6, 2007, in Beijing, with an initial registered capital of RMB1.662 billion. The shareholders and their capital contributions at the time of establishment are as follows:

Serial Number	Name of Contributor	Registered Capital (RMB10,000)	Paid-in Capital (RMB10,000)	Shareholding Ratio
1	Metallurgical Corporation of China Ltd.	101,382.00	101,382.00	61.00%
2	Jiuquan Iron and Steel (Group) Co., Ltd.	21,606.00	21,606.00	13.00%
3	Jilin Jien Nickel Industry Co., Ltd.	21,606.00	21,606.00	13.00%
4	Jinchuan Group Co., Ltd.	21,606.00	21,606.00	13.00%
Total		166,200.00	166,200.00	100.00%

On April 2, 2014, the company's registered capital was increased to RMB3.0957 billion, and the post-increase shareholding structure is as follows:

Serial Number	Name of Contributor	Registered Capital (RMB10,000)	Paid-in Capital (RMB10,000)	Shareholding Ratio
1	Metallurgical Corporation of China Ltd.	207,475.80	207,475.80	67.0206%
2	Jiuquan Iron and Steel (Group) Co., Ltd.	40,244.10	40,244.10	13.00%
3	Jilin Jien Nickel Industry Co., Ltd.	40,244.10	40,244.10	13.00%
4	Jinchuan Group Co., Ltd.	21,606.00	21,606.00	6.9794%
Total		309,570.00	309,570.00	100.00%

As of the valuation date of July 31, 2025, there have been no changes to the equity structure and capital contributions of MCC-JJJ.

4. *Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years*

As of the current valuation date, according to the audit conducted by Baker Tilly China Certified Public Accountants (Special General Partnership), the parent company statements of MCC-JJJ Mining showed total assets with a book value of RMB3,219.1833 million, total liabilities with a book value of RMB568.8594 million, and total shareholders' equities with a book value of RMB2,650.3239 million. The consolidated statements showed total assets with a book value of RMB6,675.8968 million, total liabilities with a book value of RMB3,077.7258 million, and total

shareholders' equities with a book value of RMB3,598.1710 million. The primary assets and operating conditions of MCC-JJJ Mining as of the valuation date and for the preceding three years are presented in the following table:

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years (Parent Company Single Statements)

Monetary Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	326,809.85	322,950.98	323,706.12	321,918.33
Total Liabilities	66,382.66	61,042.85	60,008.93	56,885.94
Total shareholders' equities	<u>260,427.19</u>	<u>261,908.14</u>	<u>263,697.19</u>	<u>265,032.39</u>
Item	2022	2023	2024	January-July 2025
Revenue	18,010.15	31,879.66	44,447.89	29,656.83
Costs	12,550.02	25,345.65	35,844.36	24,120.31
Operating Profit	3,193.48	1,402.46	2,943.16	1,190.51
Total Profit	3,393.48	1,646.91	3,188.12	1,192.01
Net Profit	3,393.48	1,480.94	1,789.06	1,335.20
Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report Document No.	ZTS Zi (2023) No. 110C019121	ZTS Zi (2024) No. 110C017705	ZTS Zi (2025) No. 110C021438	TZY Zi [2025] No. 41039

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

Monetary Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	864,241.57	762,710.66	722,638.78	667,589.68
Total Liabilities	682,678.85	473,816.04	383,522.32	307,772.58
Total shareholders' equities	181,562.72	288,894.62	339,116.46	359,817.10
Item	2022	2023	2024	January-July 2025
Revenue	474,555.21	387,511.68	296,522.55	160,790.83
Costs	306,231.66	247,237.86	220,423.05	116,892.34
Operating Profit	126,609.68	103,697.69	46,225.15	22,977.04
Total Profit	126,716.57	102,903.75	45,983.15	22,834.59
Net Profit	126,716.57	102,737.78	44,584.10	22,977.78
Audit Firm	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Grant Thornton Certified Public Accountants (Special General Partnership)	Baker Tilly China Certified Public Accountants (Special General Partnership)
Audit Report Document No.	ZTS Zi (2023) No. 110C019120	ZTS Zi (2024) No. 110C017703	ZTS Zi (2025) No. 110C021441	TZY Zi [2025] No. 41039

(II) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become users of this Valuation Report.

(III) Relationship between the Client and the Evaluated Entity

The client, MCC, is the shareholder of the evaluated entity, MCC-JJJ Mining.

II. VALUATION PURPOSE

According to the *Resolution of the Board of Directors of China Minmetals Corporation* (2025, 12th Meeting), Metallurgical Corporation of China Ltd. intends to transfer the equity of its subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to appraise the market value of the entire equity interest of MCC-JJJ Mining Development Company Limited involved in this transaction, to serve as a reference for the value of the transaction.

III. VALUATION OBJECT AND SCOPE

(I) Valuation Object

The valuation object is the shareholders' total equity value of MCC-JJJ Mining Development Company Limited.

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

The valuation scope covers all assets and liabilities of MCC-JJJ Mining Development Company Limited as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the parent company's total asset book value was RMB3,219.1833 million, the total liability book value was RMB568.8594 million, and the net asset book value was RMB2,650.3239 million.

The assets within the valuation scope include current assets and non-current assets. Current assets comprise monetary funds, accounts receivable, funds receivable for centralized management, prepayment, other receivables, and other current assets. Non-current assets include long-term equity investments and fixed assets.

The liabilities within the valuation scope include current liabilities and non-current liabilities. Current liabilities comprise short-term borrowings, accounts payable, contract liabilities, taxes payable, other payables, non-current liabilities due within one year, and other current liabilities; Non-current liabilities consist of deferred income.

The book status of assets and liabilities is presented in the following table:

Monetary Unit: RMB10,000

Item	Book Value
Total Current Assets	12,343.16
Total Non-Current Assets	309,575.17
Including: Long-term Equity Investments	309,570.26
Fixed Assets	4.91
Total Assets	321,918.33
Current Liabilities	56,870.94
Non-Current Liabilities	15.00
Total Liabilities	56,885.94
Total shareholders' equities	265,032.39

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

The above-mentioned entrusted valuation object and valuation scope are consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Fixed Assets – Electronic Equipment: MCC-JJJ Mining owns a total of 14 pieces of electronic equipment, including scanners, network switches, air conditioners, and office desks, acquired for routine business operations. According to on-site inspection, almost equipment is in good physical condition and was in stable and normal operating status, among which, the scanner, switch, voice gateway, and tax control printer (model SK830) are in a pending scrapping status as of the valuation date.
2. Long-term Equity Investments: MCC-JJJ Mining holds 100% equity interest in MCC Ramu NiCo Limited, its wholly owned subsidiary. As of the valuation date, MCC Ramu NiCo Limited was operating normally and stably.

(IV) Types and Quantities of Off-Balance-Sheet Assets

None.

(V) Use of Reports from Other Institutions

The book value data of various assets and liabilities as of the valuation date in this valuation report are sourced from the standard unmodified opinion audit report (TZY Zi [2025] No. 41039) issued by Baker Tilly China Certified Public Accountants (Special General Partnership).

IV. TYPE OF VALUE AND ITS DEFINITION

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

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

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

V. VALUATION DATE

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

The rationale for selecting this valuation benchmark date is that it meets the requirements of the relevant economic activities and facilitates the achievement of the valuation purpose. In addition, as the benchmark date coincides with the accounting month-end reporting date of the property owner, it enables the appraisal agency to make full use of the enterprise's existing financial information, thereby contributing to the efficient completion of the valuation work.

VI. VALUATION BASES

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

(I) Economic Behavior Basis

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

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);
2. *Assets Appraisal Law of the People's Republic of China* (approved at the twenty-first session of the Standing Committee of the 12th National People's Congress on July 2, 2016);
3. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);
4. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);
5. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);
6. *Securities Law of the People's Republic of China* (amended on December 28, 2019, by the 15th Session of the Standing Committee of the 13th National People's Congress);
7. *Mineral Resources Law of the People's Republic of China* (revised on August 27, 2009, by the 10th Session of the Standing Committee of the 11th National People's Congress);
8. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);

9. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);
10. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);
11. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);
12. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);
13. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);
14. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWQC [2006] No. 274);
15. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);
16. Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises (GZCQ [2009] No. 941);
17. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);
18. *Notice on Optimizing Matters Related to the Administration of Central SOE Asset Appraisals* (GZFCQG No. [2024] 8);
19. *Interim Measures for the Administration of Overseas State-owned Property Rights of Central Enterprises* (Decree No. 27 of the State-owned Assets Supervision and Administration Commission of the State Council, 2011);

20. *Measures for the Administration of the Acquisition of Listed Companies* (revised by Decree No. 108 of the China Securities Regulatory Commission on October 23, 2014);
21. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);
22. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);
23. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);
24. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);
25. *Accounting Standards for Business Enterprises* and other related accounting systems;
26. Other relevant laws, regulations, notices, and documents.

(III) Basis of Valuation Standards

1. *General Standards for Asset Valuation* (CZ [2017] No. 43)
2. *Asset Valuation Professional Ethics Standards* (ZPX [2017] No. 30);
3. *Practice Standards for Assets Valuation – Asset Valuation Procedures* (ZPX [2018] No. 36);
4. *Practice Standards for Assets Valuation – Asset Valuation Report* (ZPX [2018] No. 35);
5. *Practice Standards for Assets Valuation – Valuation Method* (ZPX [2019] No. 35);
6. *Practice Standards for Assets Valuation – Asset Valuation Engagement Contract* (ZPX [2017] No. 33);

7. *Practice Standards for Assets Valuation – Assets Valuation File* (ZPX [2018] No. 37);
8. *Practice Standards for Assets Valuation – Machinery and Equipment* (ZPX [2017] No. 39);
9. *Practice Standards for Assets Valuation – Enterprise Value* (ZPX [2018] No. 38);
10. *Guidelines for Asset Valuation Reports on State-Owned Enterprises* (ZPX [2017] No. 42);
11. *Guidelines for Business Quality Control of Asset Valuation Institutions* (ZPX [2017] No. 46);
12. *Guidance on Bases of Asset Valuation Value* (ZPX [2017] No. 47);
13. *Guidelines for Asset Valuation Expert No. 12 – Calculation of Discount Rate in Enterprise Value Assessment Using the Income Approach* (ZPX [2020] No. 38);
14. *Guidance on the Legal Ownership of Asset Valuation Objects* (ZPX [2017] No. 48).

(IV) Asset Ownership Bases

1. Business License for Enterprise Legal Person;
2. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);
3. Major asset purchase contracts or vouchers;
4. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(V) Pricing Bases

1. National macro-economic, industry, regional market, and enterprise statistical analysis data;
2. Financial statements and detailed financial ledgers of the valuation date and the previous years;
3. Materials related to financial management, production and operation, and market sales provided by the enterprise;
4. Enterprise revenue, cost, expense analysis, and forecasting materials;
5. The enterprise's fixed asset depreciation method;
6. Enterprise development plans, investment projects, and data on required funds for future years;
7. The enterprise's financial accounting system;
8. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;
9. Selected contracts and agreements provided by the enterprise;
10. Data analyzing the enterprise's industry position and market competition;
11. Current national and local tax policies and regulations;
12. Treasury bond yield rates near the valuation date and relevant indicators of comparable listed companies;
13. Relevant data on A-share listed companies provided by the iFinD software;
14. Relevant financial data and other materials provided by the enterprise;
15. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;
16. Other information obtained by the asset valuation professionals through investigation.

(VI) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;
2. *Manual of Common Data and Parameters for Asset Valuation*;
3. *Guidelines for Asset Valuation Expert No. 8 – Verification and Validation during Asset Valuation* (ZPX [2019] No. 39);
4. Important business contracts provided by the enterprise;
5. Market research data collected by the asset valuation professionals;
6. Relevant materials from on-site inspections and inquiries by the asset valuation professionals;
7. Relevant materials provided by the enterprise's related departments and personnel;
8. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. VALUATION METHOD**(I) Selection of Valuation Method**

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

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

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The valuation is based on going concern assumption. The enterprise can provide complete historical operational and financial data. Management has conducted analysis and forecasts for the future operations of the enterprise. Furthermore, analysis of the enterprise's financial data indicates that its future earnings and operational risks can be quantified, meeting the basic conditions for applying the income approach.

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

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

(II) Method for Determining the Valuation Conclusion

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

VIII. APPLICATION OF SPECIFIC VALUATION METHOD FOR VARIOUS ASSETS AND LIABILITIES UNDER THE ASSET-BASED APPROACH

(I) Valuation of Current Assets

1. *Monetary Funds*

For the assessment of monetary funds, the asset valuation professionals verified bank deposits by examining bank statements, reconciliation statements, and confirming the bank confirmation letters performed by the audit firm. For bank deposits, the valuation value was confirmed as the verified book value.

2. *Accounts Receivable*

The asset valuation professionals reviewed relevant contracts, agreements, and original vouchers, and verified the confirmation letters obtained by the auditors. Based on this verification, and utilizing historical data and findings from on-site surveys, they conducted a detailed analysis of the amounts, aging and reasons for the debts, debt recovery status, as well as the fund status, creditworthiness, and operational management of the debtors. The valuation value was determined based on the amount likely to be recovered for each individual debt. For receivables that were fully collectible, the valuation value was calculated based on the total receivables.

3. *Funds Receivable for Centralized Management*

For the valuation of funds receivable for centralized management, the asset valuation professionals spot-checked relevant accounting vouchers and attachments for verification. The book amounts were verified to be correct, and the valuation value was confirmed based on the recoverable status of the amounts.

4. *Advance payments*

For valuation to the advance payment, upon verifying the accuracy of the recorded amounts, the valuers analyzed the amount, duration, and reason for the prepayment, as well as the supplier's financial position, creditworthiness, and operational condition based on historical and current information. No evidence was found indicating bankruptcy, dissolution, or breach of supply contracts by suppliers. Therefore, the verified book value was adopted as the valuation value.

5. Other Receivables

For the valuation of Other Receivables, the asset valuation professionals reviewed the relevant accounting records and original vouchers, verified the confirmation letters obtained by the auditors, and found no evidence of bad debts caused by debtor bankruptcy, closure, death, disappearance, or other force majeure events. However, it cannot be guaranteed that bad debt losses will not occur in the future.

6. Other current assets

For the valuation to other current assets, the asset valuation professionals verified tax returns, original vouchers, and supporting documents, and determined the appraised value based on the verified book value.

(II) Long-term Equity Investments

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

1. For long-term equity investments with controlling interest within the valuation scope, a comprehensive extended valuation of the invested entity was performed. The results of the valuation were analyzed to determine the final valuation value of the total equity value of the invested entity.

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

(III) Valuation of Equipment Assets

Based on the valuation purpose and adhering to the principle of continuous use, the replacement cost method was primarily used for the valuation of equipment assets, considering market prices, the characteristics of the equipment assets, and the data collected.

As all equipment assets were in normal use, the cost approach was applied as follows:

Valuation Value = Full Replacement Cost $\times$ Newness Rate

1. Determination of the Full Replacement Cost

The replacement cost formula was determined based on local market information and other data, reflecting the full replacement cost of electronic equipment as of the valuation date. Manufacturers generally provided free transportation and installation services.

Full replacement cost = Purchase price (including tax)

2. Determination of the Newness Rate

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

Newness Rate = $(1 - \text{Years in Service} / \text{Economic Service Life}) \times 100\%$

Or: Newness Rate = $\text{Remaining Usable Life} / (\text{Years in Service} + \text{Remaining Usable Life}) \times 100\%$

3. Determination of valuation value

Valuation value = Full replacement cost $\times$ comprehensive newness rate

For scrapped or damaged equipment and spare parts with no residual use value, the net recoverable value was used as the valued value.

(IV) Valuation of Liabilities

The liabilities declared by the enterprise comprised current liabilities and non-current liabilities. Current liabilities included short-term borrowings, accounts payable, contract liabilities, taxes payable, other payables, the current portion of non-current liabilities, and other current liabilities. Non-current liabilities consist of deferred income. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. APPLICATION OF SPECIFIC VALUATION METHODS IN THE INCOME APPROACH

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

(I) Income Basis – Free Cash Flow To the Firm

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

Free cash flow to the firm = Net profit after tax + Depreciation and amortization + Interest expense (after tax effect) – Capital expenditures – Change in net working capital.

(II) Income Period

The income projection period for the enterprise was defined as finite, spanning from August 1, 2025, to December 31, 2044.

(III) Discount Rate

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

cost of capital obtained by taking the specific cost of each financing source and applying its relative share in the overall capital structure as the weighting factor. The calculation formula for the WACC is:

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

Wherein: E: The target equity value of the valuation object;

D: The target debt capital value of valuation object;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

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

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

Wherein: Rf: Risk-free rate of return;

β_e : Equity risk coefficient;

Rm: Expected market rate of return;

α : Company-specific risk adjustment factor.

(V) Valuation Calculation Formula for the Income Approach

The calculation formula for the income approach used for the evaluated entity in this valuation is as follows:

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

Wherein: P – Valuation value of the total equity value of enterprise shareholders;

A_i – Free cash flow to the firm for the i th year in the operating period of an enterprise;

B – Working capital recovered at the end of the revenue period;

C – Residual value at the end of the forecast period;

R – Discount rate;

n – Forecast period of the enterprise's revenue duration, $n=1,2,3,\dots$;

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

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

X. IMPLEMENTATION PROCESS AND SITUATION OF THE VALUATION PROCEDURES

The asset valuation professionals performed the on-site valuation work for the assets and liabilities involved in the valuation object from October 9, 2025 to October 21, 2025. The implementation process of the valuation procedures is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

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

(II) Signing the Asset Valuation Engagement Contract

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

(III) Preparation of the Valuation Plan

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

(IV) On-site Investigation

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

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;
2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;
3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.
4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

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

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;
2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;
3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;
4. Based on the specific circumstances of the asset valuation engagement, the asset valuation professionals analyzed, summarized, and organized the collected valuation data to form the basis for the assessment, calculation, and preparation of the Asset Valuation Report.

(VI) Data Reconciliation with the Audit Firm

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

(VII) Assessment and Calculation

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

2. Key tasks for the income approach valuation involved asset valuation professionals' interviews with management, on-site inspections, and gathering historical financial data. By analyzing comparable industry and company data, and based on a thorough understanding of market conditions and in-depth research into all aspects of the company's operations, a calculation model was established. Valuation calculations were performed and repeatedly refined to preliminarily determine the result under the income approach.
3. The preliminary results from the asset-based approach and the income approach were compared, analyzed, supplemented, modified, and refined. Considering the factors influencing value comprehensively, the result from one valuation method was reasonably selected to determine the final conclusion of the asset valuation.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to the Client.

XI. VALUATION ASSUMPTIONS

(I) General Assumptions

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open Market Assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.

3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the Evaluated Entity can continue based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of MCC-JJJ Mining and its subsidiaries will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.

7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. It is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.
2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

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

XII. EVALUATION CONCLUSION

In accordance with relevant national asset valuation regulations, and adhering to the principles of independence, objectivity, and impartiality along with the necessary valuation procedures, the market value of the shareholders' total equity interest of MCC-JJJ Mining Development Company Limited has been valued. Based on the above valuation work, the following conclusion is presented:

(I) Asset-Based Approach Calculation Results

According to the asset-based approach valuation, MCC-JJJ Mining's total assets have a book value of RMB3,219.1833 million and a valuation value of RMB8,082.5493 million, resulting in an appreciation amount of RMB4,863.3660 million and an appreciation rate of 151.07%. Total liabilities have a book value of RMB568.8594 million, the valuation value is RMB568,7469 million, resulting in an impairment amount of RMB0.1125 million and an impairment rate of 0.02%; Total shareholders' equities have a book value of RMB2,650.3239 million and a valuation value of RMB7,513.8024 million, resulting in an appreciation amount of RMB4,863.4785 million and an appreciation rate of 183.51%.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB10,000

Item		Book Value	Evaluation Conclusion	Appreciation/Depreciation	
				Appreciation/Depreciation	Rate %
		A	B	C=B-A	D=C/A × 100%
Total Current Assets	1	12,343.16	12,343.16	–	–
Total Non-Current Assets	2	309,575.17	795,911.77	486,336.60	157.10
Including: Long-term Equity					
Investments	3	309,570.26	795,907.73	486,337.47	157.10
Fixed Assets	5	4.91	4.04	-0.87	-17.76
Total Assets	10	321,918.33	808,254.93	486,336.60	151.07

Item		Book Value A	Evaluation Conclusion B	Appreciation/ Depreciation	Appreciation/ Depreciation Rate %
				C=B-A	D=C/A × 100%
Current Liabilities	11	56,870.94	56,870.94	–	–
Non-Current Liabilities	12	15.00	3.75	-11.25	-75.00
Total Liabilities	13	56,885.94	56,874.69	-11.25	-0.02
Owner's Equity (or Shareholders' Equity)	14	265,032.39	751,380.24	486,347.85	183.51

(II) Income Approach Calculation Results

The total equity value of MCC-JJJ Mining, as of the valuation date, determined using the income approach, is RMB7,748.2705 million. This represents an increase of RMB5,097.9466 million, or 192.35%, compared to the company's book net asset value of RMB2,650.323 million.

(III) Analysis of the Results from the Two Methods

From the above results, it can be observed that the income approach valuation result is RMB234.4681 million higher than the asset-based approach valuation result, a difference of 3.12%. A detailed analysis of the reliability and reasonableness of the valuation results from the two methods is provided below.

The main reason for the difference between the valuation results obtained through the asset-based approach and the income approach lies in the different perspectives considered by the two valuation methodologies. The asset-based approach evaluates the value of a company based on the replacement cost of its existing assets, reflecting the value of the enterprise's assets from the perspective of asset re-acquisition. While the income approach evaluates the enterprise from the perspective of its future profitability, reflecting the overall profit-generating capacity of all its assets.

The appraised entity primarily performs management functions, with its main business being the supply of raw and auxiliary materials to its subsidiary, MCC Ramu NiCo Limited. The company has a single customer and a highly concentrated business. MCC Ruimu's principal operations involve the open-pit mining of the Ruimu nickel-cobalt mine in Madang Province, Papua New Guinea. The income approach is affected by unstable factors such as international conditions, geopolitical risks, and exchange rates, making it difficult to accurately reflect the true value of the company. The asset-based approach, however, has already accounted for all significant assets affecting the company's value and applied appropriate valuation methods.

Therefore, the asset-based approach has been adopted as the basis for the final appraisal conclusion.

(IV) Valuation Conclusion

Subject to the assumptions and conditions set forth in this report, the total equity value of the total shareholders' equity of MCC-JJJ Mining subject to valuation as of the valuation date, July 31, 2025, is RMB7,513.8024 million, in words: RMB Seven Billion Five Hundred and Thirteen Million Eight Hundred and Two Thousand Four Hundred Only. Compared with the book value of total shareholders' equities under the caliber of MCC-JJJ Mining's parent company, which amounts to RMB2,650.3239 million, the valuation appreciation is RMB4,863.4785 million, representing an appreciation rate of 183.51%; Compared with the book value of total shareholders' equities on a consolidated basis of MCC-JJJ Mining, which amounts to RMB3,598.1710 million, the valuation appreciation is RMB3,915.6314 million, representing an appreciation rate of 108.82%.

(V) Validity Period of the Valuation

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

XIII. Notes for Special Matters

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

- (I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.
- (II) This report is based on information required for the valuation provided by MCC-JJJ Mining Development Company Limited, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.
- (III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.
- (IV) The future profit forecasts involved in this valuation are based on forecasting prepared by the management of MCC-JJJ Company, and have been confirmed by both MCC-JJJ and the client. MCC-JJJ is responsible for the authenticity, scientific basis, and completeness of the relevant data and information provided for the future profit forecasts, as well as for the reasonableness and feasibility of the forecasts themselves. It is the responsibility of the client and other relevant parties to provide the necessary materials and to ensure that the materials supplied are authentic, lawful, and complete. The role of the asset valuation professionals is to analyze and value the value of the valuation subject as of the valuation date for the specific purpose of the valuation, and to provide professional opinions accordingly.
- (V) The valuation assumptions adopted in this income-based valuation represent reasonable projections of the future operations of the valuation subject under current conditions. Should unforeseen or unavoidable factors arise that may affect the realization of these assumptions, the extent to which the profit forecasts are achieved may be impacted. The asset valuation professionals hereby do not remind the client and other relevant parties that no guarantee is made regarding the realization of the above assumptions, nor do the professionals assume any obligation to realize or assist in realizing such assumptions.

(VI) Notes on Limitations in valuation Procedures

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

(VII) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VIII) Other Key Information Not Provided by the Client

None.

(IX) Matters Related to Mortgages and Guarantees

None.

(X) Incomplete Property Ownership Information, Existence of Defects Therein, and Other Situations Requiring Explanation

None.

(XI) Other Explanatory Matters*1. Loan Agreement*

In July 2025, MCC-JJJ Mining Development Company Limited entered into a *Loan Contract* (Contract No. HETO18600000320250500000009) with The Export-Import Bank of China. According to the agreement, the purpose of loan is for: Ramu Nickel-Cobalt Project, Papua New Guinea; Loan Amount: RMB Three Hundred Million; The loan term is 12 months, commencing from the actual disbursement date. The annual interest rate is 2.4%, calculated using the Internal Rate of Return (IRR) method on a simple interest basis.

2. According to Article 5.6 of the *Master Agreement* (i.e., the Ramu NiCo Project Master Agreement) signed by MCC Ramu NiCo Limited, MCC Ramu NiCo Limited holds an 85% individual interest in the joint venture shares of the various partners. However, after other partners of the joint venture have repaid their loans, the individual interest held by MCC Ramu NiCo Limited in the joint venture will decrease to 80%. Since the aforementioned agreement only applies to the Phase I scenario without expansion, and this appraisal is based on the expansion scenario calculated according to the *Feasibility Study Report for the Ramu Phase II Expansion Project of Ramu NiCo Management (MCC) Limited* prepared by China ENFI Engineering Corporation in May 2025, the potential decrease of MCC Ramu NiCo Limited's individual interest in the joint venture to 80% has not been considered, and an 85% interest is still applied. Users of this report are advised to take note.

In addition, it is not found that the appraised entity has any major contract, major litigating matter that affects the appraisal; it is not found that appraised entity has any other major matters of mortgage, pledge, guarantee and other contingent liabilities, contingent assets that affect the appraisal.

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

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

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

None.

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

XIV. NOTES ON USAGE RESTRICTIONS FOR THE ASSESSMENT REPORT

- (I) This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.
- (II) If the Client or other users of this Asset Valuation Report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its asset valuation professionals shall bear any responsibility.
- (III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- (IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- (V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.
- (VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XV. DATE OF THE ASSET VALUATION REPORT

Date of this report: December 3, 2025.

**Asset Valuation Report
Supplementary Information**

**on Shareholders' Total Equity Value of MCC JJJ
Mining Development Company Limited
Involved in the Metallurgical Corporation of China Ltd.'s
Proposed Transfer of Subsidiary Equity**

SinoValue Assets Appraisal Co., Ltd.

December 11, 2025

Summary of Valuation Assumption and Calculation Process for the Income Approach Valuation of the Total Equity Value of MCC Ramu NiCo Limited

I. INTRODUCTION TO THE APPLICATION OF THE INCOME APPROACH

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

II. BASE OF VALUE AND ITS DEFINITION

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

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

III. VALUATION ASSUMPTIONS OF THE INCOME APPROACH

(I) General Assumptions

1. **Transaction Assumption:** It is assumed that all assets subject to valuation are in the transaction process. The asset valuation professionals estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. **Open Market Assumption:** The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.

3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. It is assumed that the evaluated entity will operate based on the production methods, scale, product mix, development technology level, and market supply and demand levels determined by the feasibility study design and construction plan, and that its operating conditions will not undergo major changes in the foreseeable future.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of MCC Ramu NiCo Limited will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.

7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. It is assumed that cash inflows for the evaluated entity after the valuation date occur evenly throughout the period, and cash outflows also occur evenly.
11. It is assumed that the foundational information and financial data provided by the evaluated entity are true, accurate, and complete.

IV. SPECIFIC FORM OF THE INCOME APPROACH

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

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

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

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

(I) Value of Operating Assets

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

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

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

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

(III) Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm. The calculation formula for the WACC is:

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

Wherein: E: Total equity value of the company;

D: Total debt capital value of the company;

V = E + D: Total capital of the company;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

(IV) Income Period

The income period of the evaluated entity is limited.

To expand overall production capacity and improve economic benefits, MCC Ramu NiCo Limited, building upon the stable operation of Phase I and the availability of sufficient resources, has initiated the Phase II expansion project. (Phase II is planned to commence construction in January 2026 and be completed by December 2028. Upon completion of the expansion, the company's production capacity will be significantly increased, with the dry ore processing volume rising from 3.62 million tons to 9.04 million tons.) According to the project feasibility study report, the following information is obtained.

1. Mining scope

The valuation scope mainly includes five mining areas within the mining right and three mining areas within the exploration right.

2. Production Scale

According to the pulp demand of the ore washing plant, the total production scale of the Ramu Mine after expansion is 9.043 million dry tons per year.

3. Resource Quantity Estimation

The resource quantity used in this valuation is based on the "Feasibility Study Report for the Ramu Phase II Expansion Project of MCC Ramu NiCo Limited".

4. Mine Service Life

The total ore quantity within the open-pit mining boundary is 110.301 million dry tons. After expansion, the total production scale of the Ramu Mine is 9.043 million dry tons per year, and the mine service life is approximately 14 years. Combined with the resources in Exploration Areas 3, 4, and 6, the total ore quantity is 156.151 million dry tons, and the mine service life is approximately 19 years.

That is, the valuation calculation period ends on December 31, 2044.

(V) Valuation Calculation Formula for the Income Approach

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

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

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

A_i – Free cash flow to the firm in year i of the operation period;

B – Working capital recovered at the end of the revenue period;

C – Recoverable residual value at the end of the revenue period;

R – Discount rate;

n – Forecast period of the enterprise's revenue duration, n=1,2,3,...;

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

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

V. FORECAST AND ESTIMATION PROCESS OF THE INCOME APPROACH VALUATION

MCC Ramu NiCo Limited has forecasted the main aspects of its operations from August 1, 2025 to December 31, 2044, completed and provided the Income Approach Valuation Declaration Form to us. We conducted independent analysis and judgment on the future forecasts provided by the enterprise, and carried out the forecast of the enterprise's future operations and income in combination with the on-site inspections of the enterprise by asset valuation professionals.

(I) Forecast of Operating Income and Costs

1. Forecast of Sales Revenue

Based on the production schedule in the *Feasibility Study Report for the Ramu Phase II Expansion Project of MCC Ramu NiCo Limited* compiled by China ENFI Engineering Co., Ltd. in 2025 and provided by MCC Ramu NiCo Limited, after data analysis, the annual income of the joint venture during the valuation period is shown in the following tables:

Forecast Table of Joint Venture Income from 2025 to 2031

Serial Number	Project/Year	2025 August -December	2026	2027	2028	2029	2030	2031
1	MHP – Nickel Cobalt Hydroxide (USD10,000)	17,897.50	42,997.10	45,386.24	45,386.24	47,691.15	121,028.00	128,622.75
2	Chromium Concentrate (USD10,000)	1,471.92	3,532.80	3,532.80	3,532.80	3,532.80	8,832.00	8,832.00

Forecast Table of Joint Venture Income from 2032 to 2038

Serial Number	Project/Year	2032	2033	2034	2035	2036	2037	2038
1	MHP – Nickel Cobalt Hydroxide (USD10,000)	128,622.75	128,622.75	127,079.67	123,520.88	121,133.34	121,133.34	121,133.34
2	Chromium Concentrate (USD10,000)	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00

Forecast Table of Joint Venture Income from 2039 to 2044

Serial Number	Project/Year	2039	2040	2041	2042	2043	2044	2038
1	MHP – Nickel Cobalt Hydroxide (USD10,000)	116,051.50	116,051.50	116,051.50	116,051.50	116,051.50	113,543.55	121,133.34
2	Chromium Concentrate (USD10,000)	8,832.00	8,832.00	8,832.00	8,832.00	8,832.00	8,637.60	8,832.00

With reference to the relevant provisions of the China Mining Right Valuation Standards, it is assumed that all mineral products produced by the mining enterprise are sold in the current period. Based on the aforementioned determined output, sale price of various products and the total sales revenue of the joint venture, the sales revenue in the capacity-reaching year during the valuation period (taking 2028 as an example) is calculated as follows:

According to the *Ramu Nickel-Cobalt Joint Venture Agreement* signed by MCC Ramu NiCo Limited, Article 3.1 clearly stipulates that MCC Ramu NiCo Limited accounts for 85% of the individual shares held by each joint venture party in the joint venture.

Annual sales revenue of nickel cobalt hydroxide = $45,386.00 \times 85\% \times 10,000.00 = 385,781,000.00$ (USD)

Annual sales revenue of Chromium Concentrate = $3,532.80 \times 85\% \times 10,000.00 = 30,030,500.00$ (USD)

The Commission Income is 2% of the revenue attributable to the joint venture's other stakeholders' shareholding (collectively holding 15%).

Commission Income = $(45,386.00 \times 15\% + 3,532.80 \times 15\%) \times 2\% \times 10,000.00 = 1,467,570.00$ (USD)

The total sales revenue in the capacity-reaching year during the project valuation period (taking 2028 as an example) is USD417,279.070.00.

The revenue growth rates from 2026 to 2032 are projected at 3.6%, 5.1%, 0.0%, 4.7%, 153.5%, 5.8%, and 0% respectively. Revenue growth is determined based on future production and revenue forecasts in the feasibility study report. In 2030, significant revenue growth will result from substantial production increases due to the the Phase II commissioning. From 2032 onward, revenue is expected to maintain stable performance with minor fluctuations.

2. *Operating Cost Forecast*

As a normally operating enterprise, the various operating costs of MCC Ramu NiCo Limited corresponding to the respective incomes have been generally stable in recent years. For the period from the valuation date to the completion of capacity expansion in 2030, this valuation refers to the average unit cost of the historical period. After the completion of the Phase II expansion in 2030, the design cost in the feasibility study report is referred to.

(1) *Product A – Nickel Cobalt Hydroxide*

- ① Raw materials and auxiliary materials: Various raw materials and auxiliary materials consumed in the production of nickel cobalt hydroxide, which belong to the category of material costs. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.
- ② Fuel: Various fuel consumption required for production, which belong to the category of material costs. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.
- ③ Labor: Employee compensation such as wages, welfare, and bonuses of personnel in the mining, mineral processing, and smelting workshops during the enterprise's production period (excluding shutdown maintenance periods). The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.
- ④ Maintenance and inspection fees: Maintenance and inspection fees of the mining, mineral processing, and smelting workshops during the production period (excluding shutdown maintenance periods), which belong to the category of material costs. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.

- ⑤ Manufacturing expenses: Indirect expenses in the production link excluding direct costs, covering production management, workshop operation and other related expenditures. The average unit cost of the historical period is referred to, and the cost after the completion of the Phase II expansion is determined with reference to the data in the Phase II feasibility study report.
- ⑥ Depreciation: The depreciation expenses of fixed assets such as production equipment are calculated and determined in accordance with the enterprise's depreciation policy.
- ⑦ Amortization of intangible assets: The amortization expenses arising from intangible assets related to production (such as patents, technical licenses) are calculated and determined in accordance with the enterprise's depreciation policy.
- ⑧ Long-term service fees and severance fees: Long-term service fees and severance fees that fall within the scope of employee compensation are determined with reference to the average unit cost of employee compensation in the historical period.
- ⑨ Reclamation fees: The reclamation costs after resource mining are included in accordance with the enterprise's cost accounting rules.
- ⑩ MHP ocean freight: The ocean freight of MHP (intermediate product) belongs to the transportation cost category in material costs, and is determined with reference to the average unit cost of mining, mineral processing, and smelting in the year and period before the valuation date.

(2) *Product B – Chromium Concentrate*

- ① Chromium concentrate ocean freight: The ocean freight of chromium concentrate belongs to the transportation cost category in material costs, and is determined with reference to the average unit cost of mining, mineral processing, and smelting in the year and period before the valuation date.

- ② Chromium concentrate land freight: The land freight of chromium concentrate belongs to the transportation cost category in material costs, and is determined with reference to the average unit cost of mining, mineral processing, and smelting in the year and period before the valuation date.

(II) Forecast of Taxes and Surcharges

The main taxes and surcharges in the historical period of the enterprise are resource tax and production tax; the resource taxes are levied at 2.00% of the operating income, and the production taxes are levied at 0.5% of the operating income. In the forecast years, the collection methods and tax rates of resource taxes and production taxes remain consistent with those in the historical period. The calculation of income tax is explained in the enterprise income tax forecast.

(III) Forecast of the Enterprise Period Expenses

Period expenses include sales expenses, management expenses and financial expenses.

1. Sales Expenses: Including consulting fees, travel expenses, business entertainment expenses and others. For this valuation, the enterprise determines the sales expenses by combining the historical occurrence situation, the current execution situation of business contracts and the future planning.
2. Management expense include depreciation, employee compensation, office expenses, property management fees, intermediary agency fees, etc. This valuation predicts the administrative expenses by combining the historical occurrence and the enterprise's future plans.
3. Financial Expenses: Including interest income, handling fee expenditures, exchange gains and losses, etc. Handling fees are considered based on the historical average. Since exchange losses are not considered in the valuation model, exchange gains and losses are not predicted.

(IV) Forecast of Non-operating Income and Expenses

Non-operating income and expenses are accidental and non-normal expenses, so they are not predicted in this valuation.

(V) Forecast of Income Tax Expense

In accordance with the laws of the place of registration, the enterprise pays enterprise income taxes on taxable income at the corresponding tax rate. The income tax of the enterprise in the historical period is levied at 30.00% of the operating income. This time, the corresponding enterprise income tax is calculated based on the actual historical occurrence of the enterprise.

(VI) Forecast of Enterprise Net Profit

Through the above forecasts, the total profit of each future period is calculated. The expected net profit of each future year is obtained by subtracting the enterprise income tax from the total profit of each year.

(VII) Forecast of Capital Expenditure

Capital expenditures refer to the expenditures incurred by an enterprise for the purchase and construction of fixed assets or other non-current assets to maintain its operations. The fixed assets of MCC Ramu NiCo Limited mainly include buildings and structures, machinery and equipment, transportation equipment, electronic equipment, intangible assets, and other assets. The company's purchase of assets in future years is for maintaining the existing operating scale and replacing the enterprise's assets.

(VIII) Forecast of Fixed Asset Depreciation and Expense Amortization

The fixed asset construction projects of MCC Ramu NiCo Limited mainly include buildings and structures, machinery and equipment, electronic equipment, etc. In this valuation, the forecast of the company's fixed asset depreciation for future years is made on the basis of estimating the depreciation amount for the future operating period according to the company's fixed asset depreciation policy, using the fixed asset book original value as of the valuation date, the expected service life, the weighting depreciation rate and other factors. The amortization arising from the enterprise's new intangible assets is calculated accordingly in accordance with the enterprise's accounting policy.

(IX) Forecast of Working Capital

Working capital refers to operating funds occupied, which is the difference between operating current assets and operating current liabilities. The increase in working capital refers to the cash occupied by providing commercial credit, the cash maintained for normal operations, accounts receivable and payable, and inventory etc., as the company's business activities change; it also includes a small amount of other receivables and payables necessary for operations. The forecast focuses on sensitive items, which refer to asset and liability items that directly change with sales volume, including notes receivable, accounts receivable, advance payment, inventory, accounts payable, notes payable, advance receipts, taxes payable, employee benefits payable, etc. Usually, the vast majority of the accounting contents of other receivables and other payables are abnormal operating transactions; The occurrence and the amount of such items are not strongly correlated with the scale of business activities, so they are set to remain unchanged in the forecast. Therefore, in principle, the calculation of the increase in working capital only needs to consider the main factors such as cash, accounts receivable, advance payment, inventory, accounts payable, and advance receipts that need to be maintained for normal operations. For the amounts of these items in subsequent years, the enterprise has also made forecasts based on expansion in the scale of operations and combined with past experience.

The increase in working capital refers to the additional operating capital (a negative value indicates a decrease) that needs to be invested in accordance with the enterprise's forecasted business objectives. The increase in working capital as defined in this report is: Increase in working capital = Current period working capital – Previous period working capital.

(X) Free Cash Flow

The forecasted free cash flow to the firm of MCC Ramu NiCo Limited for the forecast period is calculated by adding non-cash costs and expenses such as fixed asset depreciation and intangible asset amortization to the net profit, plus financial expenses such as interest paid to creditors (after deducting tax impact, which falls within the scope of free cash flow), minus the change in net working capital, and minus capital expenditures.

(XI) Determination of Discount Rate

The Weighted Average Cost of Capital (WACC) was adopted as the discount rates for the free cash flow to the firm. The calculation formula for the WACC is:

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

Wherein: E: Total equity value of the company;

D: Total debt capital value of the company;

V = E + D: Total capital of the company;

Re: The cost of equity capital;

Rd: The cost of debt capital;

T: The applicable enterprise income tax rate.

The return on equity is determined using the Capital Asset Pricing Model (CAPM):

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

The determination process for each parameter involved in the Capital Asset Pricing Model (CAPM) formula is elaborated on separately as follows:

1. Risk-free rate of return (Rf)

The risk-free rate of return refers to the expected rate of return of investors on risk-free assets. Since there is no mature capital market in Papua New Guinea where the evaluated entity is located, considering that the buyer's country is China, and the evaluated entity is a Chinese-funded holding enterprise with its products mainly sold to China, the selection of relevant parameters this time refers to the relevant data of China's capital market, and the country-specific differences are considered in the enterprise-specific risk adjustment coefficient. For this project, the yield to maturity of Chinese treasury bonds with a remaining term of more than ten years as of the valuation date of July 31, 2025 is adopted as the risk-free rate of return, with a value of 2.84% (retained to two decimal places).

2. Market Risk Premium ($R_m - R_f$)

($R_m - R_f$) is the market risk premium, which refers to the expected excess return required by investors for equity investments with the same risk as the overall market, i.e., the risk premium exceeding the risk-free rate.

The market investment return rate was calculated by averaging the annualized rates of return based on the closing prices of the CSI 300 Index on the Shanghai Stock Exchange and Shenzhen Stock Exchange. After calculation, the market investment return rate for 2025 stood at 9.39%.

As of July 31, 2025, the risk-free rate of return was set at 2.84%, which is the yield to maturity of national bonds with a remaining term of over 10 years as of the valuation date. Accordingly, the market risk premium as of July 31, 2025, was calculated to be 6.55%.

3. Equity Systematic Risk Coefficient (β_e)

β_e is an indicator to measure the systematic risk of the company, with the following calculation formula:

$$\beta_e = \beta_u \times \left(1 + \frac{(1-T) \times D}{E} \right)$$

Wherein: β_e is the systematic risk coefficient of leveraged equity;

β_u is the systematic risk coefficient of unleveraged equity;

T is the income tax rate of the evaluated enterprise;

D/E is the target capital structure of the evaluated enterprise.

MCC Ramu NiCo Limited was established in August 2005, with the main business of mining, processing, smelting, and sales of nickel-cobalt ore resources. For this valuation, we adopt the following basic standards as the selection criteria for screening comparable listed companies. (1) The selection scope of comparable companies is listed companies on the Shanghai and Shenzhen Stock Exchanges; (2) Comparable companies belong to the same industry as the evaluated entity.

According to the enterprise status and business characteristics of the evaluated entity, combined with the above screening criteria for comparable listed companies, asset valuation professional queried the leveraged equity beta values of 22 comparable A-share listed companies on the Shanghai and Shenzhen Stock Exchanges through the iFinD Information System, then converted them into β_u values according to the income tax rates and capital structures of the comparable listed companies, and took the average value as the value of the evaluated entity.

Serial Number	Stock Code	Stock Name	Adjusted Original β_e	D/E	Enterprise Income Tax Rate	Unleveraged Equity β_u Value
1	600362. SH	Jiangxi Copper	0.9995	1.2732	15.00%	0.4800
2	601168. SH	Western Mining	1.0667	0.7410	25.00%	0.6857
3	601899. SH	Zijin Mining	0.8957	0.4202	15.00%	0.6600
4	000737. SZ	North Copper	1.1757	0.5808	25.00%	0.8190
5	000878. SZ	Yunnan Copper	1.0965	0.7372	15.00%	0.6741
6	600301. SH	Huaxi Nonferrous	1.3046	0.0980	25.00%	1.2153
7	600338. SH	XIZANG ZHUFENG	1.2832	0.0234	25.00%	1.2611
8	600489. SH	ZhongJin Gold	0.7472	0.3037	25.00%	0.6086
9	600490. SH	Pengxin International Mining	1.1974	0.0968	25.00%	1.1164
10	600497. SH	Chihong Zn & Ge	1.1030	0.2074	15.00%	0.9377
11	600711. SH	Chengtun Mining	1.3132	0.7131	25.00%	0.8556
12	600988. SH	Chifeng Gold	0.5248	0.1093	25.00%	0.4850
13	601020. SH	Huayu Mining	1.3217	0.0734	9.00%	1.2389
14	601212. SH	Baiyin Nonferrous	1.0831	0.9289	15.00%	0.6052
15	603132. SH	JIN HUI INC.	1.0133	0.2096	15.00%	0.8601
16	603993. SH	CMOC Group	1.1344	0.3849	15.00%	0.8548
17	000060. SZ	Nonfemet	1.0669	1.1112	15.00%	0.5487
18	000426. SZ	Xingye Silver & Tin	1.3148	0.1160	25.00%	1.2096
19	000603. SZ	SHENGDA RESOURCES	1.1816	0.1835	25.00%	1.0387
20	000688. SZ	GUOCHENG MINING CO., LTD.	1.3661	0.1711	25.00%	1.2107
21	000758. SZ	CNMC	1.2299	0.5585	25.00%	0.8668
22	000960. SZ	YUNNAN TIN COMPANY LIMITED	1.2963	0.5303	15.00%	0.8935
	Average		1.1234	0.4351	0.2018	0.8693
	Standard deviation		0.2036	0.3588	0.0554	0.2578
	Coefficient of Variation		18.12%	82.46%	27.45%	29.66%

Finally, asset valuation professionals obtained the average unleveraged equity beta value of 22 sample companies as 0.8693. Subsequently, asset valuation professionals can calculate the enterprise beta value used this time:

$$\beta_e = \beta_u \times \frac{E + D(1-T)}{E}$$

Wherein: D/E is the industry average D/E of 43.51%, and T is the enterprise income tax rate, thus calculating the leveraged equity beta value of the enterprise as 1.1341.

4. *Enterprise-specific Risk Adjustment Coefficient (α)*

The enterprise-specific risk adjustment coefficient is an adjustment for the differences in advantages and disadvantages formed between the evaluated enterprise and the selected comparable companies in terms of enterprise scale, management capability, development stage, client concentration, etc. Explanation of the Value Assignment for Each Risk Adjustment Factor:

(1) *Enterprise Scale*

As of the valuation date, the total asset scale of the evaluated entity is relatively small. Compared with comparable companies, the evaluated entity has a smaller asset scale and certain disadvantages in industry competition and resistance to operational risks; at the same time, considering that the core assets of the evaluated entity are operated under lease, with no large-scale investment itself, the losses that may be caused by operational risks are relatively small. Comprehensively considering this aspect, the specific risk adjustment coefficient is 0.5%.

(2) *Operational Management Capability*

Comparable companies are all listed companies, while the evaluated entity is a non-listed enterprise. Compared with those with more sound internal control and more professional management teams, the evaluated entity has certain deficiencies in operational management capability. Therefore, compared with its comparable companies, the evaluated entity has certain deficiencies in operational management capabilities, and the specific risk adjustment coefficient for this aspect is set at 0.5%.

(3) Development Stage

The business of the evaluated entity has been operated for many years and is currently stable. Compared with comparable companies, the specific risk adjustment coefficient for this aspect is 0.0%.

(4) Client Concentration

The client concentration of the evaluated entity is relatively high, while that of comparable companies is not so high. Therefore, compared with comparable companies, the evaluated entity faces higher client concentration risk, and the specific risk adjustment coefficient for this aspect is 0.5%.

(5) Resource Regional Risk

The mine of the evaluated entity is located in Papua New Guinea. Considering the country-specific risk, the specific risk adjustment coefficient for this aspect is 3.00%.

After comprehensive consideration, the enterprise-specific risk adjustment coefficient α for this time is 4.50%.

5. Determination of Forecast Period Discount Rates*5.1. Calculation of Cost of Equity*

Substitute the above-determined parameters into the cost of equity calculation formula to obtain the cost of equity as follows:

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

$$= 2.84\% + 1.1341 \times 6.55\% + 4.50\%$$

$$= 14.77\%$$

5.2. Calculation of Weighted Average Cost of Capital

The cost of interest-bearing debt (Rd) of the evaluated entity is based on the actual debt cost in the loan contract as of the valuation date. Substitute the above-determined parameters into the Weighted Average Cost of Capital calculation formula to calculate the Weighted Average Cost of Capital of the evaluated entity.

5.3. Determination of Discount Rates

Based on the calculation results of the above data, the Weighted Average Cost of Capital (WACC) is computed as follows:

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

$$= 11.27\%$$

(XII) Discount Calculation of Free Cash Flow to the Firm*1. Estimation of the Value of Operating Assets*

Estimation of Operating Asset Value Substitute the above data into Formula

$$P = \sum_{i=1}^n \frac{R_i}{(1+r)^i} + \frac{R_{n+1}}{r(1+r)^n} \text{ to obtain the valuation value of operating assets as USD1,233,816,670.}$$

2. Non-operating Assets/Surplus Assets

After analysis, the net amount of surplus, non-operating assets and liabilities of MCC Ramu NiCo as of the valuation date is the sum of surplus assets and non-operating assets and liabilities, totaling USD7,364,310.

3. Interest-Bearing Debt

As of the valuation date, the interest-bearing liabilities of Ramu Nickel-Cobalt within the valuation scope are USD127,929,900.

4. Income Approach Valuation Result

The total equity value of the shareholders of Ramu Nickel-Cobalt evaluated by the income approach is obtained by adding back the surplus assets and liabilities to the operating asset value.

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

Monetary unit: USD1,000

Project/Year	August – December 2025	2026	2027	2028	2029	2030	Remarks
I. Operating income	165,226.10	396,900.90	417,279.07	417,279.07	436,940.72	1,107,705.80	Refer to V. (I) Forecast of Operating Revenue
Wherein: Main business income	165,226.10	396,900.90	417,279.07	417,279.07	436,940.72	1,107,705.80	and Costs for detailed calculation logic
II. Operating costs	128,988.65	315,238.54	316,480.81	317,374.99	317,394.59	704,364.12	
Wherein: Main business costs	128,988.65	315,238.54	316,480.81	317,374.99	317,394.59	704,364.12	
Taxes and surcharges	3,817.78	9,171.67	9,676.74	9,676.74	10,164.22	25,811.02	Refer to V. (II) Forecast of Taxes and Surcharges for detailed calculation logic
Sales expenses	1,953.84	4,689.22	4,689.22	4,689.22	4,689.22	12,191.96	Refer to V. (III) Forecast of the Enterprise's Period Expenses for detailed calculation
Management expenses	4,302.70	10,326.49	20,326.49	20,326.49	20,326.49	26,848.87	
Financial expenses	1,443.72	391.84	6,296.13	23,556.85	50,428.26	41,886.56	logic
III. Operating Profit	24,719.41	57,083.14	59,809.68	41,654.78	33,937.94	296,603.27	
IV. Total Profit	24,719.41	57,083.14	59,809.68	41,654.78	33,937.94	296,603.27	
Minus: Income tax expenses	0	17,124.95	17,942.91	12,496.44	10,181.39	88,980.98	Refer to V. (V) Forecast of Income Tax Expense for detailed calculation logic
V. Net Profit	24,719.41	39,958.19	41,866.77	29,158.34	23,756.55	207,622.29	
Plus: Depreciation	29,312.80	71,097.00	72,389.00	73,035.00	73,035.00	174,426.60	Refer to V. (VIII) Forecast of Fixed Asset Depreciation and Expense Amortization
Amortization	58.29	140.02	140.02	340.25	340.25	340.25	for detailed calculation logic
Interest expenses (after tax effect)	4,504.78	2,187.34	5,937.53	17,608.39	36,006.85	29,566.85	
Minus: Additional working capital investment	10,436.98	17,000.00	206,776.70	523,844.49	588,380.57	19,104.00	Refer to V. (IX) Forecast of Working Capital for detailed calculation logic
Minus: Capital expenses	49,567.83	4,161.98	6,113.45	0	5,898.50	201,229.52	Refer to V. (VII) Forecast of Capital Expenditures for detailed calculation logic

APPENDIX V-I

SUPPLEMENTARY INFORMATION TO THE VALUATION REPORT OF MCC-JJJ MINING

Project/Year	August – December 2025	2026	2027	2028	2029	2030	Remarks
VI. Free Cash Flow to the Firm	1,409.53	92,220.57	-83,921.28	-403,702.51	-461,140.42	191,622.47	
1. Annual discount rates	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	Refer to V. (XI) Determination of Discount Rate for the selection of the discount rate
2. Number of years in the current period	0.2083	0.9167	0.9167	1.9167	2.9167	3.9167	
3. Discount factor	0.978	0.9067	0.9067	0.8149	0.7324	0.6582	
4. Present value of free cash flow	-1,378.52	83,616.39	-83,921.28	328,977.18	-337,739.24	126,125.91	
5. Cumulative present value of free cash flow	-1,378.52	82,237.87	-1,683.41	-330,660.59	-668,399.83	-542,273.92	
Project/Year	2031	2032	2033	2034	2035	2036	Remarks
I. Operating income	1,172,491.15	1,172,491.15	1,172,491.15	1,159,329.36	1,128,971.09	1,108,601.45	Refer to V. (I) Forecast of Operating Revenue
Wherein: Main business income	1,172,491.15	1,172,491.15	1,172,491.15	1,159,329.36	1,128,971.09	1,108,601.45	and Costs for detailed calculation logic
II. Operating costs	707,711.29	684,102.34	665,033.37	665,727.44	660,904.58	656,643.87	
Wherein: Main business costs	707,711.29	684,102.34	665,033.37	665,727.44	660,904.58	656,643.87	
Taxes and surcharges	27,352.24	27,352.24	27,352.24	27,025.92	26,297.47	25,808.72	Refer to V. (II) Forecast of Taxes and Surcharges for detailed calculation logic
Sales expenses	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	Refer to V. (III) Forecast of the Enterprise's
Management expenses	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	Period Expenses for detailed calculation
Financial expenses	33,129.77	23,988.35	14,788.35	5,588.35	0	0	logic
III. Operating Profit	365,257.02	398,007.39	426,276.36	421,946.82	402,728.21	387,108.03	
IV. Total Profit	365,257.02	398,007.39	426,276.36	421,946.82	402,728.21	387,108.03	
Minus: Income tax expenses	109,577.11	119,402.22	127,882.91	126,584.05	120,818.47	116,132.41	Refer to V. (V) Forecast of Income Tax Expense for detailed calculation logic
V. Net Profit	255,679.91	278,605.17	298,393.45	295,362.77	281,909.74	270,975.62	
Plus: Depreciation	175,137.90	145,518.60	126,426.70	127,156.80	127,866.70	128,607.00	Refer to V. (VIII) Forecast of Fixed Asset
Amortization	340.25	340.25	340.25	340.25	329.39	322.15	Depreciation and Expense Amortization for detailed calculation logic
Interest expenses (after tax effect)	23,126.85	16,686.85	10,246.85	3,806.85	0	0	
Minus: Additional working capital investment	26,706.00	27,677.00	29,002.00	29,504.00	27,000.00	31,003.00	Refer to V. (IX) Forecast of Working Capital for detailed calculation logic
Minus: Capital expenses	19,435.61	0	0	-3,948.54	-9,107.48	-6,110.89	Refer to V. (VII) Forecast of Capital Expenditures for detailed calculation logic

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SUPPLEMENTARY INFORMATION TO THE VALUATION REPORT OF MCC-JJJ MINING

Project/Year	2031	2032	2033	2034	2035	2036	Remarks
VI. Free Cash Flow to the Firm	408,143.30	413,473.87	406,405.25	401,111.21	392,213.31	375,012.66	
1. Annual discount rates	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	Refer to V. (XI) <i>Determination of Discount Rate</i> for the selection of the discount rate
2. Number of years in the current period	4.9167	5.9167	6.9167	7.9167	8.9167	9.9167	
3. Discount factor	0.5915	0.5316	0.4778	0.4294	0.3859	0.3468	
4. Present value of free cash flow	241,416.76	219,802.71	194,180.43	172,237.15	151,355.12	130,054.39	
5. Cumulative present value of free cash flow	-300,857.16	-81,054.45	113,125.98	285,363.13	436,718.25	566,772.64	
Project/Year	2037	2038	2039	2040	2041	2042	Remarks
I. Operating income	1,108,601.45	1,108,601.45	1,065,260.52	1,065,260.52	1,065,260.52	1,065,260.52	Refer to V. (I) <i>Forecast of Operating Revenue and Costs</i> for detailed calculation logic
Wherein: Main business income	1,108,601.45	1,108,601.45	1,065,260.52	1,065,260.52	1,065,260.52	1,065,260.52	
II. Operating costs	657,272.64	675,053.19	702,644.16	703,281.33	703,927.33	703,936.16	
Wherein: Main business costs	657,272.64	675,053.19	702,644.16	703,281.33	703,927.33	703,936.16	
Other business costs	0.00	0.00	0.00	0.00	0.00	0.00	
Taxes and surcharges	25,808.72	25,808.72	24,758.29	24,758.29	24,758.29	24,758.29	Refer to V. (II) <i>Forecast of Taxes and Surcharges</i> for detailed calculation logic
Sales expenses	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	12,191.96	Refer to V. (III) <i>Forecast of the Enterprise's Period Expenses</i> for detailed calculation logic
Management expenses	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	26,848.87	
Financial expenses	0	0	0	0	0	0	
III. Operating Profit	386,479.26	368,698.71	298,817.24	298,180.07	297,534.07	297,525.24	
IV. Total Profit	386,479.26	368,698.71	298,817.24	298,180.07	297,534.07	297,525.24	
Minus: Income tax expenses	115,943.78	110,609.62	89,645.17	89,454.02	89,260.22	89,257.57	Refer to V. (V) <i>Forecast of Income Tax Expense</i> for detailed calculation logic

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SUPPLEMENTARY INFORMATION TO THE VALUATION REPORT OF MCC-JJJ MINING

Project/Year	2037	2038	2039	2040	2041	2042	Remarks
V. Net Profit	270,535.48	258,089.09	209,172.07	208,726.05	208,273.85	208,267.67	
Plus: Depreciation	129,258.70	126,450.30	126,924.50	127,584.60	128,230.60	128,216.50	Refer to V. (VIII) Forecast of Fixed Asset
Amortization	322.15	322.15	311.29	311.29	311.29	311.29	Depreciation and Expense Amortization for detailed calculation logic
Interest expenses (after tax effect)	0	0	0	0	0	0	
Minus: Additional working capital investment	17,852.00	19,278.00	43,310.00	19,104.00	0	0	Refer to V. (IX) Forecast of Working Capital for detailed calculation logic
Minus: Capital expenses	0	0	-13,002.28	0	0	0	Refer to V. (VII) Forecast of Capital Expenditures for detailed calculation logic
VI. Free Cash Flow to the Firm	382,264.33	365,583.54	306,100.14	317,517.94	336,815.74	336,795.46	
1. Annual discount rates	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	Refer to V. (XI) Determination of Discount Rate for the selection of the discount rate
2. Number of years in the current period	10.9167	11.9167	12.9167	13.9167	14.9167	15.9167	
3. Discount factor	0.3117	0.2801	0.2517	0.2262	0.2033	0.1827	
4. Present value of free cash flow	119,151.79	102,399.95	77,045.41	71,822.56	68,474.64	61,532.53	
5. Cumulative present value of free cash flow	685,924.43	788,324.38	865,369.79	937,192.35	1,005,666.99	1,067,199.52	
	=====	=====	=====	=====	=====	=====	
Project/Year	2043	2044	\	\	\	\	Remarks
I. Operating income	1,065,260.52	1,042,212.46	\	\	\	\	Refer to V. (I) Forecast of Operating Revenue
Wherein: Main business income	1,065,260.52	1,042,212.46	\	\	\	\	and Costs for detailed calculation logic
II. Operating costs	606,026.13	587,496.71	\	\	\	\	
Wherein: Main business costs	606,026.13	587,496.71	\	\	\	\	
Taxes and surcharges	24,758.29	24,222.88	\	\	\	\	Refer to V. (II) Forecast of Taxes and Surcharges for detailed calculation logic
Sales expenses	12,191.96	12,191.96	\	\	\	\	Refer to V. (III) Forecast of the Enterprise's Period Expenses for detailed calculation
Management expenses	26,848.87	26,848.87	\	\	\	\	logic
Financial expenses	0	0	\	\	\	\	
III. Operating Profit	395,435.27	391,452.04	\	\	\	\	
IV. Total Profit	395,435.27	391,452.04	\	\	\	\	
Minus: Income tax expenses	118,630.58	117,435.62	\	\	\	\	Refer to V. (V) Forecast of Income Tax Expense for detailed calculation logic

APPENDIX V-I

SUPPLEMENTARY INFORMATION TO THE VALUATION REPORT OF MCC-JJJ MINING

Project/Year	2043	2044	\	\	\	\	Remarks
V. Net Profit	276,804.69	274,016.42	\	\	\	\	
Plus: Depreciation	30,400.80	30,328.90	\	\	\	\	Refer to V. (VIII) Forecast of Fixed Asset
Amortization	311.29	304.57	\	\	\	\	Depreciation and Expense Amortization for detailed calculation logic
Interest expenses (after tax effect)	0	0	\	\	\	\	
Minus: Additional working capital investment	0	-162,512.40	\	\	\	\	Refer to V. (IX) Forecast of Working Capital for detailed calculation logic
Minus: Capital expenses	0	-319,578.16	\	\	\	\	Refer to V. (VII) Forecast of Capital Expenditures for detailed calculation logic
VI. Free Cash Flow to the Firm	307,516.78	786,740.45	\	\	\	\	
1. Annual discount rates	11.27%	11.27%	\	\	\	\	Refer to V. (XI) Determination of Discount Rate for the selection of the discount rate
2. Number of years in the current period	16.9167	17.9167	\	\	\	\	
3. Discount factor	0.1642	0.1476	\	\	\	\	
4. Present value of free cash flow	50,494.26	116,122.89	\	\	\	\	
5. Cumulative present value of free cash flow	1,117,693.78	1,233,816.67	\	\	\	\	
6. Discounted valuation value of free cash flow to the firm	1,233,816.67		7. Plus: Enterprise redundant and non-operating assets		7,364.31		
8. Interest-bearing liabilities	127,929.90		9. Total equity valuation value of the enterprise's shareholders		1,113,251.08		

Note 1: Production capacity and revenue increase significantly upon the completion of the Phase II expansion in 2030.

Note 2: Revenue shows a slight decline from 2034 to 2044 due to a decrease in the grade of processed ore.

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

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

- 5.** The shareholders' total equity value of Ramu Nickel-Cobalt, as of the valuation dates (July 31, 2025), determined using the income approach, and is USD1,113,251,080.

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

Asset Valuation Report

**on the Shareholders' Total Equity Value of Ramu NiCo Management (MCC)
Limited in the Proposed Equity Transfer of a Subsidiary of Metallurgical
Corporation of China Ltd.**

ZSZYPB [2025] No. 010160

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

SinoValue Assets Appraisal Co., Ltd.

December 3, 2025

STATEMENT

- I. This Asset Valuation Report is prepared in accordance with the General Standards for Asset Valuation issued by the Ministry of Finance and the Practice Standards and Code of Professional Ethics for Assets Valuation issued by the China Appraisal Society.
- II. The Client or other users of this Asset Valuation Report shall use the Asset Valuation Report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the Asset Valuation Report. Neither the asset valuation institution nor its asset valuation professionals shall bear any liability for the use of this Asset Valuation Report in violation of the aforementioned provisions by the Client or other users of the Asset Valuation Report.
- III. This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- IV. Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusions are not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- V. The asset valuation institution nor its asset valuation professionals shall comply with laws, administrative regulations, and asset valuation standards, adhere to the principles of independence, objectivity, and impartiality, and assume legal responsibility for the issued Asset Valuation Report.
- VI. The inventory of assets and liabilities related to the valuation object has been declared by the Client and the evaluated entity and confirmed by them through signatures, seals, or other means permitted by law. The Client and other relevant parties are legally responsible for the authenticity, completeness, and legality of the information they provide.
- VII. This report does not possess the legal attributes of a property ownership certificate and cannot be used as a document certifying property rights.
- VIII. Users of this Asset Valuation Report shall pay attention to the assumptions and premises underlying the valuation conclusion, the description of the special matters, and the restrictions on the use of the Asset Valuation Report.

Asset Valuation Report

on the Shareholders' Total Equity Value of Ramu NiCo Management (MCC) Limited in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB Zi [2025] No. 010160

SUMMARY

SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to value the market value of the shareholders' total equity interest of Ramu NiCo Management (MCC) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. The main content of this Valuation Report is summarized as follows:

- I. Valuation Purpose:** According to the *Resolution of the Board of Director of China Minmetals Corporation* (the 12th of Meeting of the Board of Directors in 2025), Metallurgical Corporation of China Ltd. intends to Transfer the equity of a subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by Metallurgical Corporation of China Ltd. to value the market value of the shareholders' total equity interest of Ramu NiCo Management (MCC) Limited related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.
- II. Valuation Object and Scope:** The valuation object is the shareholders' total equity value of Ramu Nico Management (MCC) Limited. The valuation scope covers all assets and liabilities of Ramu Nico Management (MCC) Limited. As of the valuation date, July 31, 2025, the company's total assets had a total book value of RMB5.033 million, total liabilities had a book value of RMB5.0304 million, and net assets had a book value of RMB0.0026 million.
- III. Base of Value:** The base of value for the conclusion in this Asset Valuation Report is market value.
- IV. Valuation Date:** July 31, 2025.
- V. Valuation Method:** Asset-based approach.
- VI. Valuation Conclusion:** The valuation determined that as of the valuation date, July 31, 2025, the shareholders' total equity valuation value of Ramu Nico Management (MCC) Limited is RMB10.9139 million. In words: RMB Ten Million Nine Hundred and Thirteen Thousand Nine Hundred Only.

This Valuation Report is provided solely as a value reference for the economic behavior described in the Valuation Report. The validity period for the use of the valuation conclusion is one year from the valuation date.

VII. Special Matters Affecting the Valuation Conclusion: Users of this Valuation Report shall fully consider the assumptions, limiting conditions, and special matters disclosed in the Valuation Report, as well as their impact on the valuation conclusion.

This summary is extracted from the main text of the Valuation Report and constitutes an important part thereof. To understand the comprehensive situation of this Valuation Report, users shall carefully read the full text of the Valuation Report.

Asset Valuation Report

on the Shareholders' Total Equity Value of Ramu NiCo Management (MCC) Limited in the Proposed Equity Transfer of a Subsidiary of Metallurgical Corporation of China Ltd.

ZSZYPB Zi [2025] No. 010160

TEXT

To Metallurgical Corporation of China Ltd.,

SinoValue Assets Appraisal Co., Ltd. was engaged by your company to value the market value of the shareholders' total equity interest of Ramu Nico Management (MCC) Limited involved in the proposed equity transfer of a subsidiary of Metallurgical Corporation of China Ltd. as of the valuation date, July 31, 2025. This was conducted in accordance with laws and administrative regulations, adhering to the principles of independence, objectivity, and impartiality, employing the Asset-Based Approach, and following necessary valuation procedures.

The asset valuation condition is now reported as follows:

I. Overview of the Client and the Evaluated Entity***(I) Overview of the Client***

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

Unified Social Credit Code: 91110000710935716X

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

Legal Representative: Chen Jianguang

Registered Capital: RMB20,723,619,170

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

Date of Establishment: December 1, 2008

Business Term: December 1, 2008 to No Fixed Term

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

(II) Overview of the Evaluated Entity

1. Basic Information of the Enterprise

Company Name: Ramu Nico Management (MCC) Limited (Hereinafter referred to as: **“Ramu Management Company”**)

Registration Certificate No.: 1-54529

Company Address: Posman Kua Aisi Lawyers, Level 1, MogoruMoto Building, Port Moresby, National Capital District, Papua New Guinea

Registered Capital: PGK 1,000.00

Date of Establishment: August 17, 2005

The company's shareholder is Metallurgical Corporation of China Ltd., with a capital contribution ratio of 100%. The company does not engage in any actual business activities.

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

As of the valuation date of July 31, 2025, Ramu Management Company's equity was 100% held by MCC:

Shareholder Name	Registered Capital (PGK)	Capital Contribution Ratio
Metallurgical Corporation of China Ltd.	1,000.00	100%
Total	1,000.00	100%

3. *Historical Evolution of the Evaluated Entity*

Ramu Management Company was established in Papua New Guinea on August 17, 2005, obtaining the Certificate of Incorporation No. 1-54529 issued by the Registrar of Companies of Papua New Guinea. The registered capital was: PGK 1,000.00. The shareholder is Metallurgical Corporation of China Ltd., with a capital contribution ratio of 100%.

Shareholder Name	Registered Capital (PGK)	Capital Contribution Ratio
Metallurgical Corporation of China Ltd.	1,000.00	100%
Total	1,000.00	100%

As of the valuation date of July 31, 2025, there have been no changes to the equity structure and capital contributions of Ramu Management Company.

4. *Primary Operating Conditions of the Evaluated Entity as of the Valuation Date and in Historical Years*

As of the valuation date, according to the audit conducted by Baker Tilly China Certified Public Accountants (Special General Partnership), Ramu Management Company showed total assets with a book value of RMB5.033 million, total liabilities with a book value of RMB5.0304 million, and net assets with a book value of RMB0.0026 million. The primary assets and operating conditions of Ramu Management Company as of the valuation date and for the preceding three years are presented in the following table:

Overview of Financial Position and Operating Performance as of the Valuation Date and for the Preceding Three Years

Monetary Unit: RMB10,000

Item	December 31, 2022	December 31, 2023	December 31, 2024	July 31, 2025
Total Assets	659.29	595.57	536.93	503.30
Total Liabilities	659.03	595.31	536.67	503.04
Net Assets	0.26	0.26	0.26	0.26

Item	2022	2023	2024	January-July 2025
Operating Revenue	—	—	—	—
Operating Costs	—	—	—	—
Operating Profit	—	—	—	—
Total Profit	—	—	—	—
Net Profit	—	—	—	—

Name of Audit Firms	Grant Thornton	Grant Thornton	Grant Thornton	Baker Tilly China
	Certified Public	Certified Public	Certified Public	Certified Public
	Accountants	Accountants	Accountants	Accountants
	(Special General	(Special General	(Special General	(Special General
	Partnership)	Partnership)	Partnership)	Partnership)
Audit Report	ZTS Zi (2023)	ZTS Zi (2024)	ZTS Zi (2025)	TZY Zi [2025]
Document No.	No. 110C019108	No. 110C017707	No. 110C021453	No. 40696
Audit Opinions	Standard	Standard	Standard	Standard
	Unmodified	Unmodified	Unmodified	Unmodified
	Opinions	Opinions	Opinions	Opinions

(III) Users of the Valuation Report

This Valuation Report is intended for use only by the Client, the Client's superior regulatory authority, and other users as stipulated by laws and administrative regulations. No other institutions or individuals may become users of this Valuation Report.

(IV) Relationship between the Client and the Evaluated Entity

The Client is the shareholder of the Evaluated Entity, Ramu Management Company, holding 100% of its equity.

II. Valuation Purpose

According to the *Resolution of the Board of Director of China Minmetals Corporation (the 12th of Meeting of the Board of Directors in 2025)* MCC proposes to transfer the equity of a subsidiary. SinoValue Assets Appraisal Co., Ltd. was engaged by MCC to value the market value of the shareholders' total equity interest of Ramu Management Company related to the aforementioned economic behavior, to serve as a value reference for this economic behavior.

III. Valuation Object and Scope***(I) Valuation Object***

The valuation object of this project is the shareholders' total equity value of Ramu Management Company.

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

The valuation scope covers all assets and liabilities of Ramu Management Company as of the valuation date, based on the audited financial statements. According to the audited financial statements as of the valuation date, the company showed total assets with a book value of RMB5.033 million, total liabilities with a book value of RMB5.0304 million, and net assets with a book value of RMB0.0026 million.

The assets within the valuation scope comprise current assets and non-current assets. Current assets consist of other receivables. Non-current assets consist of fixed assets.

The liabilities within the valuation scope are current liabilities. The current liabilities consist of other payables.

The book status of assets and liabilities is presented in the following table:

Monetary Unit: RMB10,000

Item	Book Value
Total Current Assets	2.08
Total Non-Current Assets	501.22
Including: Long-term Equity Investments	—
Investment Properties	—
Fixed Assets	501.22
Construction in Progress	—
Intangible Assets	—
Including: Intangible Assets – Land Use Rights	—
Other Non-Current Assets	—
Total Assets	503.30
Current Liabilities	503.04
Non-Current Liabilities	—
Total Liabilities	503.04
Owner's Equity (or Shareholders' Equity)	0.26

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

The above-mentioned entrusted valuation object and valuation scope are consistent with those involved in the relevant economic behavior.

(III) Notes on Primary Assets Within the Valuation Scope

1. Other receivables have a net book value of RMB0.0208 million, accounting for 0.41% of the total assets at book value. These primarily consist of receivables from the shareholder and application-related fees.
2. Fixed assets have a total net book value of RMB5.0122 million, accounting for 99.59% of the total assets at book value. These primarily consist of buildings and structures, vehicles, and electronic equipment. The buildings and structures of Ramu Management Company are properties purchased and constructed in Madang and Port Moresby, totaling 4 items. Among these, which are maintained and in normal usable condition. There are 14 vehicles, purchased by the company to meet daily operational needs, which are maintained and in normal usable condition. There are 153 electronic equipment items, including air conditioners, satellite receiver cabinets, water purification equipment, etc., purchased by the company to meet daily operational needs, which are maintained and in normal usable condition.

(IV) Types and Quantities of Off-Balance-Sheet Assets

Ramu Management Company did not declare off-balance-sheet assets.

(V) Use of Reports from Other Institutions

The book value data of various assets and liabilities as of the valuation date in this Valuation Report are sourced from the standard unmodified opinion Audit Report (TZY Zi (2025) No. 40696) issued by Baker Tilly China Certified Public Accountants (Special General Partnership).

IV. Base of Value and Its Definition

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

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

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

V. Valuation Date

The valuation date for this project is July 31, 2025.

The determination of the valuation date primarily considered the implementation date of the economic behavior corresponding to the valuation purpose.

VI. Valuation Bases

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

(I) Economic Behavior Basis

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

(II) Law and Regulation Bases

1. *Measures for Financial Supervision and Administration of the Asset Valuation Industry* (Decree No. 86 of the Ministry of Finance, effective June 1, 2017; amended by Decree No. 97 of the Ministry of Finance on January 2, 2019);
2. *Company Law of the People's Republic of China* (Second Amendment adopted at the 7th Session of the Standing Committee of the 14th National People's Congress on December 29, 2023);
3. *Civil Code of the People's Republic of China* (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020; effective January 1, 2021);
4. *Law of the People's Republic of China on State-owned Assets of Enterprises* (Adopted at the 5th Session of the Standing Committee of the 11th National People's Congress on October 28, 2008);
5. *Measures for the Administration of State-Owned Asset Valuation* (Decree No. 91 of the State Council, 1991);
6. *Detailed Rules for the Implementation of the Measures for the Administration of State-Owned Asset Valuation* (GZBF [1992] No. 36);

7. *Provisions on Several Issues Concerning the Administration of State-Owned Asset Valuation* (Decree No. 14 of the Ministry of Finance of the People's Republic of China, effective from January 1, 2002);
8. *Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises* (Decree No. 378 of the State Council, amended for the second time by Decree No. 709 on March 2, 2019);
9. *Opinions of the Ministry of Finance on Reforming the Administrative Methods for State-Owned Asset Valuation and Strengthening Supervision and Administration of Asset Valuation* (GBF [2001] No. 102, 2001);
10. *Interim Measures for the Administration of State-Owned Assets Valuation of Enterprises* (Decree No. 12 of the State-owned Assets Supervision and Administration Commission of the State Council, issued August 25, 2005);
11. *Notice on Issues Concerning the Strengthening of the Administration of State-Owned Assets Valuation of Enterprises* (GZWCQ [2006] No. 274);
12. *Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises* (Decree No. 32 of the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, June 24, 2016);
13. *Notice on Matters Related to the Review of State-Owned Asset Valuation Reports of Enterprises* (GZCQ [2009] No. 941);
14. *Notice on Issuance of the "Guidelines for the Filing of State-Owned Asset Valuation Projects of Enterprises"* (GZFCQ [2013] No. 64);
15. *Enterprise Income Tax Law of the People's Republic of China* (Amended at the 7th Session of the Standing Committee of the 13th National People's Congress on December 29, 2018);
16. *State Taxation Administration's Announcement on Issues Concerning the Implementation of Preferential Enterprise Income Tax Policies for High-Tech Enterprises* (Announcement No. 24 of 2017 of the State Taxation Administration);

17. *Provisional Regulations of the People's Republic of China on Value-Added Tax* (Promulgated by Decree No. 134 of the State Council of the People's Republic of China on December 13, 1993; amended by Decree No. 691 of the State Council of the People's Republic of China on November 19, 2017);
18. *Detailed Rules for the Implementation of the Provisional Regulations of the People's Republic of China on Value-Added Tax* (Decree No. 50 of the Ministry of Finance and the State Taxation Administration, amended by Decree No. 65 of the Ministry of Finance and the State Taxation Administration on October 28, 2011);
19. *Notice on Comprehensively Launching the Pilot Program for the Replacement of Business Tax with Value-Added Tax* (CS [2016] No. 36);
20. *Accounting Standards for Business Enterprises* and other related accounting systems;
21. Relevant laws and regulations of Papua New Guinea, including the *Companies Act 1997*, the *Land Act 1996*, and the *Land Regulation 1999* ;
22. Other relevant laws, regulations, circulars, notices and documents.

(III) Asset Ownership Bases

1. Business License for Enterprise Legal Person;
2. Enterprise capital contribution proof documents (such as Articles of Association, capital verification reports, etc.);
3. Land Use Right Certificates, etc.;
4. Major asset purchase contracts or vouchers;
5. Other contracts, accounting vouchers, financial statements, and related materials concerning the acquisition and use of enterprise assets.

(IV) Pricing Bases

1. Financial statements and detailed financial ledgers of the valuation date and the previous year;
2. Materials related to financial management, production and operation, and market sales provided by the enterprise;
3. The enterprise's fixed asset depreciation method;
4. The enterprise's financial accounting system;
5. The enterprise's employee salary and benefit policies and projected changes to total payroll for future years;
6. Selected contracts and agreements provided by the enterprise;
7. National and local tax policies and regulations of the country where the enterprise is located ;
8. The 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*;
9. Relevant financial data and other materials provided by the enterprise;
10. Foreign exchange rates and loan interest rates applicable on the valuation date, as published by the People's Bank of China;
11. Other information obtained by the asset valuation professionals through investigation.

(V) Other Reference Materials

1. Asset inventory and valuation declaration forms provided by the enterprise;
2. *Manual of Common Data and Parameters for Asset Valuation*;
3. Important business contracts provided by the enterprise;
4. Market research data collected by the asset valuation professionals;
5. Relevant materials from on-site inspections and inquiries/confirmations conducted by the asset valuation professionals;

6. Relevant materials provided by the enterprise's related departments and personnel;
7. Statistical data and technical standards issued by relevant departments, as well as relevant macroeconomic, industry analysis, market data, and other relevant materials collected by the asset valuation institution.

VII. Valuation Method

Based on the valuation purpose of this project, and given that the valuation scope covers all assets and liabilities of the enterprise, the basic valuation methods available for asset valuation include the Market Approach, Income Approach, and Cost Approach (Asset-Based Approach).

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

The Income Approach in enterprise value valuation refers to a valuation method that determines the value of the valuation object by capitalizing or discounting its expected future earnings. The commonly used methods under the Income Approach include the Dividend Discount Method and the Discounted Cash Flow Method. The Dividend Discount Method determines the value of the valuation object by discounting expected dividends, while the Discounted Cash Flow Method typically includes the Free Cash Flow to the Firm Model and the Free Cash Flow to Equity Model. The Evaluated Entity does not engage in any actual business activities, and its management has no future development plans for the business. Therefore, the Income Approach was not adopted for this valuation.

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

Considering factors such as the valuation object, bases of value, and data collection status, the Asset-Based Approach was adopted for this valuation.

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

(I) Valuation of Current Assets

For the valuation of Other Receivables, the asset valuation professionals reviewed the relevant accounting records and original vouchers and found no evidence of bad debts caused by debtor bankruptcy, closure, death, disappearance, or other force majeure events. However, it cannot be guaranteed that bad debt losses will not occur in the future. Furthermore, considering that these receivables cannot be collected in a lump sum on the valuation date, and the specific timing of collection is uncertain, the time value of money must also be considered. Therefore, the asset valuation needs to account for the risk of loss. The asset valuation professionals determined that the amount of bad debt provision accrued in the accounts is essentially equivalent to the estimated valuation risk loss amount. Therefore, the valuation value of the receivables is confirmed at their book value, and the bad debt provision is assessed as zero in accordance with the regulations.

(II) Valuation of Buildings and Structures

The basic methods for property valuation include the Market Approach, Income Approach, and Cost Approach. Based on the characteristics of the valuation objects, the bases of value, data collection status, and other relevant conditions, the Comparative Method was determined to be used for this valuation of the subject properties under Serial Numbers 3 and 4.

Properties under Serial Numbers 3 and 4 are located in Madang. According to the understanding of the asset appraisal professionals, Madang is situated in the northern coastal region of Papua New Guinea, adjacent to the Bismarck Sea. The primary transferable land type in the local market is the State Lease land, which has a very limited supply, and the transaction process requires complex bureaucratic procedures. Pursuant to relevant local laws, the acquisition and development of land by foreigners are strictly restricted, typically requiring cooperation with local residents or approval from relevant authorities. Although a land registration system exists, its efficiency may be low, and records may be unclear or outdated. Verifying clear title to a parcel of land requires time and professional assistance. Market information and transparency are extremely low, lacking a multiple listing service system or publicly available online property databases common in developed countries. There is a shortage of independent real estate valuation institutions; the price discovery mechanism is opaque, and transaction prices are often reached through private negotiations, resulting in a lack of comparability. The subject properties are situated in a remote area, with no recent transaction comparables and no local normative documents for land valuation. In summary, the valuation for the properties under Serial Numbers 1 and 2 in this appraisal is presented at its book value.

Analogy method

Property Valuation Value = Market Price of New Property $\times$ Asset Condition Adjustment Coefficient $\times$ Market Transaction Adjustment Coefficient

1. Determination of the Market Price of New Property

The market price of the property was determined by obtaining market quotations to establish the current market price.

- (1) If the property market is relatively stable, the valuation date and the transaction date of the comparable case can differ significantly, but the transaction cases selected should generally not exceed three years. If the market is volatile and changes rapidly, it is only appropriate to select recent transaction cases, preferably within the last two years.
- (2) The current market price of property was determined by a substitution method. For property where the current market price could not be directly ascertained, following the principle of substitution in valuation, the current market price of buildings and structures was reasonably determined by adjusting historical prices using relevant price indices.

2. Determination of the Asset Condition Adjustment Coefficient

Since the subject properties are previously used assets, a comparison was made between the subject property and a new property in terms of age, physical condition, and degree of use. The Asset Condition Adjustment Coefficient was then determined based on a comprehensive assessment of these differences.

3. Determination of the Market Transaction Adjustment Coefficient

The Market Transaction Adjustment Coefficient reflects the market transaction discount rate under an orderly disposition assumption, determined through comprehensive analysis of factors such as asset disposal time, market demand, and ease of disposal. This discount rate is the Market Transaction Adjustment Coefficient.

4. Determination of the Valuation Value of Properties

Property Market Value = Market Price of New Building $\times$ Asset Condition Adjustment Coefficient $\times$ Market Transaction Adjustment Coefficient

(III) Valuation of Equipment Assets

Based on the valuation purpose and adhering to the principle of continuous use, the replacement cost method was primarily used for the valuation of the subject equipment, considering market prices, the characteristics of the equipment assets, and the data collected.

Replacement Cost Method

Valuation Value = Full Replacement Cost $\times$ Newness Rate

1. Determination of the Full Replacement Cost

The equipment assets recorded in the company's accounts were primarily purchased within China and subsequently transported to the company's site for use. The current market price of the equipment was determined through inquiries in the Chinese market or by reference to the 2025 edition of the *Quotation Manual for Mechanical and Electrical Products*: Direct inquiries were made to dealers or manufacturers, or reference was made to price lists from merchants, officially published price data, and publicly available price information on computer networks. Potential price discount margins and the cost of equipment modifications were also considered to determine the current market price of the equipment.

For older equipment or equipment for which the current market price could not be found but for which substitutes are available, the principle of substitution in valuation was applied. Through analysis and comparison of technical content and functional differences, the current market price was reasonably determined.

The Classified Price Coefficient Adjustment Method was used: For older equipment, self-built equipment, and non-standard equipment for which neither the current market price nor substitute equipment could be identified, the original book value of the equipment was first adjusted to its original purchase price. Then, by calculating the price change coefficient for similar equipment from the same period, the book value was adjusted to obtain the current market price.

Full Replacement Cost = Current Purchase Price + Other Expenses

2. *Determination of the Newness Rate*

(1) Determination of the Newness Rate for Vehicles

$$\text{Service Life Newness Rate} = (1 - 2/\text{Economic Service Life}) \times \text{Years in Service} \times 100\%$$

Simultaneously, necessary inspection and identification were performed on the vehicles subject to valuation. If the results of the inspection and identification differed significantly from the newness rate determined by the above method, appropriate adjustments were made.

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

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

$$\text{Newness Rate} = (1 - \text{Years in Service}/\text{Economic Service Life}) \times 100\%$$

$$\text{Or: Newness Rate} = \text{Remaining Usable Life}/(\text{Years in Service} + \text{Remaining Usable Life}) \times 100\%$$

3. *Determination of valuation value*

$$\text{Valuation value} = \text{Full Replacement Cost} \times \text{Comprehensive Newness Rate}$$

(IV) Valuation of Liabilities

The liabilities declared by the company are current liabilities. The current liabilities consist of other payables. Based on the detailed schedules provided by the company for each item, the liabilities were verified. The valuation value was determined by confirming whether each debt was actually borne by the company as of the valuation date and whether the creditor exists.

IX. Implementation Process and Situation of the Valuation Procedures

The asset valuation professionals performed the on-site valuation work for the assets and liabilities involved in the valuation object from October 28, 2025 to October 30, 2025. The implementation process of the assessment procedures is described below:

(I) Clarification of Basic Matters of the Valuation Engagement

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

(II) Signing the Asset Valuation Engagement Contract

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

(III) Preparation of the Valuation Plan

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

(IV) On-site Investigation

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

1. Requesting the Client and the Evaluated Entity to provide detailed information concerning the valuation object and scope;
2. Requiring the Client or the Evaluated Entity to confirm the detailed valuation schedules and relevant supporting materials they provided via signature, seal, or other methods permitted by law;
3. The asset valuation professionals conducted investigations through inquiry, interview, verification, physical inventory count, and inspection to obtain the necessary information for the valuation engagement, understand the current condition of the valuation object, and pay attention to its legal ownership.
4. Where it was impossible or impractical to investigate all assets, liabilities, and related contents within the valuation scope item by item, investigation was conducted using sampling methods based on their materiality.

(V) Collection of Valuation Data

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

1. Data independently obtained from channels such as the market, information obtained from the Client, the Evaluated Entity, and other relevant parties, as well as information obtained from government departments, various professional institutions, and other relevant entities;
2. Various forms of materials such as inquiry records, quotation results, inspection records, industry news, analytical data, appraisal reports, professional reports, and government documents;
3. The asset valuation professionals verified the information used in the asset valuation activities in accordance with the law. Methods of verification typically included observation, inquiry, written review, on-site investigation, query, confirmation letter requests, and recheck;

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

(VI) Data Reconciliation with the Audit Firm

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

(VII) Assessment and Calculation

1. The primary work for the Asset-Based Approach valuation involved, based on price queries and market quotations conducted by asset category, selecting appropriate calculation methods, estimating the valuation value of various assets and liabilities, performing summary analysis, and preliminarily determining the calculation results under the Asset-Based Approach.
2. The preliminary valuation results from the Asset-Based Approach were analyzed, supplemented, modified, and refined. The final valuation conclusion for this asset valuation work was determined based on a comprehensive analysis of value influencing factors.

(VIII) Preparation and Submission of the Valuation Report

Based on the above work, a draft Asset Valuation Report was prepared. After the internal preliminary review of the draft Valuation Report and working papers within our company, necessary communication was conducted with the Client or other relevant parties agreed upon by the Client regarding the contents of the Valuation Report. After fully considering relevant opinions, the Valuation Report underwent necessary adjustments, modifications, and refinements. It was then meticulously reviewed again in accordance with our company's internal asset valuation report review system and procedures. Finally, our company issued the formal Valuation Report and submitted it to the Client.

X. Valuation Assumptions***(I) General Assumptions***

1. Transaction Assumption: It is assumed that all assets subject to valuation are in the transaction process. The asset valuers estimate the value of the assets subject to valuation by simulating market conditions based on the assumed transaction conditions.
2. Open Market Assumption: The Open Market Assumption refers to an assumption of the conditions of the market to be entered by assets and the influence to be faced by assets in such market conditions. An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.
3. Asset Continuity of Use Assumption: The Continuity of Use Assumption refers to an assumption of the conditions of the market to be entered by assets and the status of assets in such a market condition. Firstly, it assumes that the evaluated assets are in a status of use. Secondly, it assumes that the assets in use will continue to be used. Under the continuity of use assumption, potential changes in the asset's use or its optimal utilization are not considered, thus limiting the applicability of the valuation conclusion.
4. Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the Evaluated Entity can continue based on their current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions within the foreseeable future.

(II) Special Assumptions

1. It is assumed that the external economic environment of this valuation as of the valuation date remains unchanged and that there are no significant changes in the national macroeconomic conditions. No unforeseeable or force majeure events are assumed to occur that would materially and adversely affect the valuation results.
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates, and tax rates, remain substantially unchanged.
3. It is assumed that the enterprise's future management team will perform its duties diligently and maintain the current management model.
4. It is assumed that the various business-related licenses and qualifications of Ramu Management Company will be successfully renewed upon expiry after going through the relevant approval procedures, maintaining their ongoing validity.
5. It is assumed that the Evaluated Entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization.
6. It is assumed that the assets subject to this valuation are based on their actual inventory as of the valuation date and that current market prices are determined with reference to effective domestic prices as of the valuation date.
7. It is assumed that the accounting policies adopted by the Evaluated Entity after the valuation date will remain consistent, in all material respects, with those used in preparing this Valuation Report.
8. It is assumed that, after the valuation date, the business scope and mode of the Evaluated Entity will remain consistent with the current status, based on the existing management methods and management levels.
9. It is assumed that the enterprise will maintain its existing credit policy and will not encounter significant issues with receivables collection.
10. It is assumed that all foundational information and financial data provided by the Evaluated Entity are true, accurate, and complete.

(III) Valuation Limiting Conditions

1. This valuation conclusion estimates the Market Value of the valuation object based on the valuation purpose and with the open market as the assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid. It also does not account for the impact on asset prices due to changes in the macroeconomic environment or encounters with acts of nature and other forces majeure.
2. The valuation date used in this Valuation Report is specified earlier in the report. Our valuation estimate is based on the purchasing power of the currency in the enterprise's location as of the valuation date.

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

XI. Evaluation Conclusion

In accordance with relevant national regulations concerning asset valuation, and adhering to the principles of independence, impartiality, and objectivity, along with the necessary valuation procedures, the market value of the shareholders' total equity interest of Ramu Nico Management (MCC) Limited has been valued. Based on the above valuation work, the following conclusion is presented:

According to the asset-based approach valuation, Ramu Management Company's total assets have a book value of RMB5.0338 million and a valuation value of RMB15.9443 million, resulting in an appreciation amount of RMB10.9113 million and an appreciation rate of 216.80%. Total liabilities have a book value of RMB5.0304 million and a valuation value of RMB5.0304 million, with no change in value from the valuation. Net assets have a book value of RMB0.0026 million and a valuation value of RMB10.9139 million, resulting in an appreciation amount of RMB10.9113 million and an appreciation rate of 419,666.17%.

Summary Table of Asset Valuation Results

Valuation Date: July 31, 2025

Monetary Unit: RMB10,000

Item		Book Value A	Valuation Value B	Appreciation/ Depreciation C=B-A	Appreciation/ Depreciation Rate % D=C/A × 100%
Total Current Assets	1	2.08	2.08	–	–
Total Non-Current Assets	2	501.22	1,592.35	1,091.13	217.69
Including: Long-term Equity					
Investments	3	–	–	–	157.10
Investment Properties	4	–	–	–	-17.76
Fixed Assets	5	501.22	1,592.35	1,091.13	217.69
Construction in Progress	6	–	–	–	-17.76
Intangible Assets	7	–	–	–	-17.76
Including: Intangible Assets –					
Land Use Rights	8	–	–	–	-17.76
Other Non-Current Assets	9	–	–	–	-17.76
Total Assets	10	503.30	1,594.43	1,091.13	216.80
Current Liabilities	11	503.04	503.04	–	–
Non-Current Liabilities	12	–	–	–	-75.00
Total Liabilities	13	503.04	503.04	–	–
Net Assets	14	0.26	1,091.39	1,091.13	419,666.17

Subject to the assumptions and conditions set forth in this report, the total equity value of the total shareholders' equity of Ramu Management Company subject to valuation as of the valuation date, July 31, 2025, is RMB10.9139 million, in words: RMB Ten Million Nine Hundred and Thirteen Thousand Nine Hundred Only; Compared to the net asset book value of RMB0.0026 million under the Ramu Management Company, this represents a valuation appreciation of RMB10.9139 million and an appreciation rate of 419,666.17%.

(II) Validity Period of the Valuation

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

XII. Notes for Special Matters

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

- (I) Neither the asset valuation institution nor the asset valuation professionals shall bear any related responsibility for any defect related to the enterprise that could affect the asset valuation, if such defect was not specially stated during the engagement by the enterprise and remains unknown even after the asset valuation professionals have performed their valuation procedures.
- (II) This report is based on information required for the valuation provided by Ramu Nico Management (MCC) Limited, including relevant behavioral documents, business licenses, property ownership certificates, financial statements, accounting vouchers, and other necessary data. The Client and relevant parties shall be responsible for the authenticity, legality, and completeness of the provided materials.
- (III) The asset valuation professionals conducted necessary verification procedures regarding the ownership of the assets within the mandated scope. Any identified issues concerning asset ownership have been disclosed as fully as possible. No ownership disputes were identified during the valuation. However, this Valuation Report presents a professional opinion on the valuation objects and does not possess the legal attributes of property ownership certification. Therefore, this report must not be used as a proof of ownership document.

(IV) Notes on Limitations in valuation Procedures

None.

(V) Measures Taken by the Valuation Institution To Compensate for Limitations and Their Impact on the Valuation Conclusion

None.

(VI) Other Key Information Not Provided by the Client

None.

(VII) Matters Related to Mortgages and Guarantees

None.

(VIII) Other Situations Requiring Explanation

None.

- (IX)** This valuation conclusion does not consider potential changes in tax obligations arising from the valuation appreciation or depreciation.

- (X)** Matters Occurring between the Valuation Date and the Asset Valuation Report Date That Could Potentially Impact the Valuation Conclusion

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

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

None.

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

XIII. Notes on Usage Restrictions for the Assessment Report

- (I)** This Valuation Report shall only be used for the valuation purpose and within the scope explicitly stated herein, and shall not be used for any other economic behaviors other than the valuation purpose.
- (II)** If the Client or other users of this Asset Valuation Report use the report in a manner not compliant with laws, administrative regulations, or the scope of use specified within the report, neither the asset valuation institution nor its asset valuation professionals shall bear any responsibility.

- (III) This Asset Valuation Report is intended for use only by the Client, other users of the Asset Valuation Report as stipulated in the asset valuation engagement contract, and users of the Asset Valuation Report as prescribed by laws and administrative regulations. No other institutions or individuals may become users of this Asset Valuation Report.
- (IV) Users of the Asset Valuation Report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, nor shall it be considered as a guarantee of the realizable price of the valuation object.
- (V) This report must be signed and sealed by the asset valuation institution and by at least two asset valuers. Furthermore, in accordance with the relevant regulations concerning state-owned asset management, it can only acquire the effect prescribed by law and become formally usable after the competent authority for approval or the filing management authority completes the approval or filing of the Asset Valuation Report.
- (VI) The entire content or partial excerpts of this Valuation Report may not be quoted, cited, or disclosed in public media without the prior written consent of this asset valuation institution, except as otherwise provided by laws and regulations or agreed upon by relevant parties.

XIV. Date of the Asset Valuation Report

Date of this report: December 3, 2025.

The following is the text of a letter, summary of values and valuation certificates prepared for the purpose of incorporation in this circular received from Asia-Pacific Consulting and Appraisal Limited, an independent valuer, in connection with its valuation as at 30 September 2025 of the property interests held by the Group.



CONSULTING & APPRAISAL

亞太評估

Asia-Pacific Consulting and Appraisal Limited

Flat/Rm A 12/F ZJ 300,
300 Lockhart Road, Wan Chai,
Hong Kong

12 December 2025

The Board of Directors

Metallurgical Corporation of China Ltd.

MCC Tower,
No.28 Shuguang Xili,
Chaoyang District,
Beijing,
China

Dear Sirs,

Instructions, Purpose and Valuation date

Asia-Pacific Consulting and Appraisal Limited (“**APA**” or “**we**”) is instructed by Metallurgical Corporation of China Ltd. (the “**Company**”) to provide valuation service for properties held by the three proposed target companies (MCC Real Estate Group Co., Ltd., China Nonferrous Engineering Co., Ltd. and Ramu NiCo Management (MCC) Ltd., hereinafter collectively referred to as the “**Group**”), which are intended to be disposed of for disclosure purposes. We confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing our opinion of the market value of the property interests as at 30 September 2025 (the “**Valuation Date**”).

Basis of Valuation

Our valuation of the property interests represents the market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion”.

Methods of Valuation

For the purpose of this report, we classified these properties as the property interests relating to “property activities” which mean holding (directly or indirectly) and/or development of properties for letting or retention as investments, or the purchase or development of properties for subsequent sale, or for subsequent letting or retention as investments.

We have valued the property interests in Group I which are held for sale in the PRC, property interests in Group VII which are held for sale in Hong Kong, property interests in Group IV which are held for future development, portions of the property interests in Group V which are held for owner-occupation in the PRC and property interests in Group VI which are contracted to be acquired in the PRC by the comparison approach assuming sale of the Properties in existing state by making reference to comparable sales evidence as available in the relevant market subject to appropriate adjustments.

For the purpose of this valuation, properties classified as held for sale refer to those for which the Construction Work Completion and Inspection Certificates or the Building Ownership Certificates/ Real Estate Title Certificates have been issued by the relevant local authorities. This classification also encompasses property interests that have been contracted for sale but for which the formal assignment procedures have not yet been finalized. Properties classified as held for future development are those for which the State-owned Land Use Rights Certificates or Real Estate Title Certificates (Land) have been obtained, while the Construction Work Commencement Permits for subsequent development or redevelopment have not yet been issued. With respect to the property interests in Group VI that are designated as contracted to be acquired, the Group has entered into agreements with the relevant government authorities. However, as of the valuation date, the Group had not yet obtained the State-owned Land Use Rights Certificates and/or had not fully settled the land premium payment.

We have valued property interests in Group II which are held for investment, remaining portion of the property interests in Group V which are held for owner-occupation and the storage and carpark portion of property No.20 by the income approach by taking into account the rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the market value at an appropriate capitalization rate.

In valuing the property interests in Group III which are held under development by the Group, we have assumed that they will be developed and completed in accordance with the latest development proposals provided to us by the Group. In arriving at our opinion of values, we have also taken into account the estimated total and accrued construction cost relevant to the stage of construction as at the valuation date.

For the purpose of our valuation, properties under development is defined as one for which the Construction Works Commencement Permit has been issued while the Construction Works Certified Report or Certificate of Completion of the building has not been issued.

Due to the specific characteristics and locations of properties Nos. 12, 14, 39, 70, 71, 73 and 74, there are unlikely to be relevant market comparable sales readily available, the relevant property interests have been conducted through the cost approach with reference to their depreciated replacement cost. Depreciated replacement cost is defined as “the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization.

Valuation Assumptions

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the value of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

We have valued the property on the assumption that they will be developed and completed in accordance with the latest development proposal as at the valuation date and the property can be freely transferred or disposed without payment of any further land premium, construction cost, penalty or transfer fees.

Valuation Standards

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors; and the International Valuation Standards published by the International Valuation Standards Council.

Source of Information

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure and all other relevant matters.

We have had no reason to doubt the truth and accuracy of the information provided to us by the target Company. We have also sought confirmation from the target Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

Document and Title Investigation

We have been shown copies of various title documents including State-owned Land Use Rights Certificates, Building Ownership Certificates, Real Estate Title Certificate and other title documents relating to the property interests and have made relevant enquiries. However, we have not searched the original documents to verify the ownership or to ascertain any amendment. We have relied to a very considerable extent on the information given by the target Company, and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have no reason to doubt the truth and accuracy of the information provided to us by the target Company. We have also sought confirmation from the target Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld. We have relied considerably on the advice given by the Company's PRC legal adviser – Fangda Partners, concerning the validity of the property interests in the PRC.

Area Measurement and Inspection

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the documents and official site plans handed to us are correct. All documents have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties unless we have been otherwise instructed. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

The site inspection was carried out from October to November 2025 by 10 technical staff including Mr. David Cheng, Ms. Alice Dong, Ms. Ivy Liu, Ms. Jasper Jia, Ms. Lissy Li, Mr. Eric Wu, Mr. Sherlock Liu, Ms. Tracy Zhang, Ms. Jane Li and Ms. Genma Liang.

Mr. David Cheng is a member of Royal Institution of Chartered Surveyor and has more than 20 years' experience in property valuation in the PRC. The other 9 staff are Certified Public Valuer/China Certified Real Estate Appraisers/China Qualified Land Valuers and have 2-15 years' experience in the valuation of properties in the PRC.

Currency

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our summary of values and valuation certificates are enclosed hereby for your attention.

Yours faithfully,
for and on behalf of

Asia-Pacific Consulting and Appraisal Limited

David G. D. Cheng
MRICS
Partner

Note: David G. D. Cheng is a Chartered Surveyor who has more than 20 years' experience in the valuation of assets in the Greater China Region, the Asia-Pacific region, the United States and Canada.

SUMMARY OF VALUES**Abbreviation:**

Group I:	Completed Properties held for sale in the PRC
Group II:	Properties held for investment by the group in the PRC
Group III:	Properties held under development by the Group in the PRC
Group IV:	Properties held for future development by the Group in the PRC
Group V:	Properties held for owner-occupation by the Group in the PRC
Group VI:	Properties Contracted to be acquired by the Group in the PRC
Group VII:	Completed Properties held for sale in Hong Kong
Group VIII:	Properties held for owner-occupation by the Group in the PNG

No.	Property	Completed Properties held for sale in the PRC	Properties held for investment by the group in the PRC	Properties held under development by the Group in the PRC	Properties held for future development by the Group in the PRC	Properties held for owner-occupation by the Group in the PRC	Properties Completed for sale in Hong Kong	Properties held for owner-occupation by the Group in the PRC	The total market value in existing state as at the valuation date)
		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII
1	12 retail units and 50 residential units of Jing Tai Xi Li Dong Qu/Xi Qu, located at 120 Meters South of the Intersection of Anlelin Middle Street and Anlelin Third Lane, Dongcheng District, Beijing, The PRC東城區景泰西里東區/西區	136,500				274,100			410,600
2	A retail unit, 3 office units and 12 apartment units located at No. 1, Jinyuchi Middle Street, Dongcheng District, Beijing, The PRC東城區金魚池中街	77,200							77,200
3	9 retail units and 9 storage units of Wang Jing You Le Hui located at Intersection of Guangshun South Street & Futong East Street, Chaoyang District, Beijing, The PRC望京悠樂匯項目	94,250							94,250
4	4 residential units of No.17 Building located at Xin'an Li, Daxing District, Beijing, The PRC大兴區新安里	6,200							6,200
5	A residential unit of No.4 Building, located at Xinghai Yuan, Yinghai Town, Daxing District, Beijing, The PRC大興區瀛海鎮興海園	1,900							1,900
6	A residential unit of Building 65 located at Anlelin Road, Dongcheng District, Beijing, The PRC東城區安樂林65號樓	4,400							4,400

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	
7	A single-storey house of Building 1, located at 37 Paizi Hutong, Xicheng District, Beijing, The PRC西 城區掛子胡同37號1幢1層	1,000								1,000
8	A single-storey house of Building 10, located at 37&39 Yuxin Street, Xicheng District, Beijing, The PRC西城區育新街37、39號10幢1層	1,600								1,600
9	A single-storey house of Building 3, located at 2&4 Xiyangmao Hutong, Xicheng District, Beijing, The PRC西城區西楊茅胡同2、4號3幢1層	1,300								1,300
10	5-101, First floor, Building 4, Daojiayuan, Chaoyang District, Beijing, The PRC 朝陽區達家園4號樓1層5-101	2,300								2,300
11	Beijing MCC Dexian Gongguan located at No. 6 Dexian East Road, Daxing District, Beijing, The PRC北京中治德賢公館	72,100								72,100
12	New Century Hotel, located at Courtyard 6, Shouti South Road, Haidian District, Beijing, The PRC北 京世紀飯店		94,420							94,420
13	Beijing MCC Dexian Yufu located at No. 2 Courtyard, Dongwei 3rd Road, Chaoyang District, Beijing, The PRC北京中治德賢御府	586,800								586,800

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		<i>RMB'000 Group I</i>	<i>RMB'000 Group II</i>	<i>RMB'000 Group III</i>	<i>RMB'000 Group IV</i>	<i>RMB'000 Group V</i>	<i>RMB'000 Group VI</i>	<i>RMB'000 Group VII</i>	<i>RMB'000 Group VIII</i>	
14	Tianjin Julliard School located at No. 2946 Xinhua Road, Central Business District, Binhai New Area, Tianjin City, The PRC天津萊莉亞學校	1,263,900								1,263,900
15	Qixian Nanti located at the northwest side of the intersection of Heimucheng Avenue and Neijiang North Road, Hexi District, Tianjin, The PRC七賢南裡	242,400	1,088,500			20,700				1,351,600
16	Qixian Beili located at the southwest side of the intersection of Dagou South Road and Neijiang North Road, Hexi District, Tianjin, The PRC七賢北裡	183,700	30,600							214,300
17	Tianjin MCC Dexian Hufu located at West side of the intersection of Tiantai Road and Jinpu North Road, Hebei District, Tianjin, The PRC天津中冶德賢華府	407,700		1,813,900						2,221,600
18	Room 2503 and 2505 of an office building, No. 37 Huaqiao Road, Gulou District, Nanjing City, Jiangsu Province, The PRC中冶置業集團物業服務有限公司本部					6,300				6,300
19	Beijing MCC Dexian Hufu located at No. 1 Courtyard, Siyuan Street, Daxing District, Beijing, The PRC北京中冶德賢華府	1,706,000				2,448,000				4,154,000

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	
20	JinAo International Building, located at 17 & 19 Madian Dong Road, Haidian District, Beijing, The PRC北京金澳國際	97,900				135,300				233,200
21	Qujiangshan, located at 889 Xinkaimen Bei Road, Qujiangxin District, Xi'an City, Shaanxi Province, The PRC西安曲江山		90							90
22	Shijiazhuang Dexian Gongguan located at Xiangtai Road, Yuhua District, Shijiazhuang City, Hebei Province, The PRC石家莊德賢公館	230,900								230,900
23	Shijiazhuang Shengshi Guangchang located at Xiangtai Road, Yuhua District, Shijiazhuang City, Hebei Province, The PRC 石家莊城市商業廣場—盛世廣場和悅匯	525,000				47,400				572,400
24	Shijiazhuang Dexian Huafu located at east of Zhonghua Bei Street, west of Xingbei Street, north of Xinyuan Road and south of Zhaotuo Road, Xinhua District, Shijiazhuang City, Hebei Province, The PRC石家莊德賢華府	514,300								514,300

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	RMB'000
25	A parcel of land situated to east of Zhonghua Bei Street, west of Xingbei Street, north of Xinyuan Road and south of Zhaotuo Road, Xinhua District, Shijiazhuang City, Hebei Province. The PRC 石家莊德賢盛世廣場—趙化公園地塊	874,200		609,800	285,100					285,100
26	Dexian Yufu, located at east of West 3rd Ring Road, north of Shitong Road, Qiaoxi District, Shijiazhuang City, Hebei Province. The PRC 石家莊德賢御府									1,484,000
27	Qinhuangdao Dexian Gongguan, located at the north of Zhujiang Road and east of Zhongshan Road, Development Zone, Qinhuangdao City, Hebei Province. The PRC 秦皇島德賢公館	33,800								33,800
28	Qinhuangdao Dexian Huafu, located at the west of Hengshan Road and south of Huaite Road, Development Zone, Qinhuangdao City, Hebei Province. The PRC 秦皇島德賢華府	34,000								34,000
29	Dexian Yufu, located at west of Hengshan Road and north of Huaite Road, Development Zone, Qinhuangdao City, Hebei Province. The PRC 秦皇島德賢御府	54,000		32,400						86,400

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	
30	A parcel of land located at the south of Western Expressway, west side of the planned Fayun Temple West Road, Haigang District, Qinhuangdao City, Hebei Province, The PRC 秦皇島德賢新城項目(南大寺)				862,700					862,700
31	Dexian Xincheng, located at south side of the western expressway, Haigang District, Qinhuangdao City, Hebei Province, The PRC 秦皇島港區2022-12西快路地塊—德賢新城			2,234,500						2,234,500
32	A parcel of land located at Western Expressway, Haigang District, Qinhuangdao City, Hebei Province, The PRC 秦皇島市西快路88畝地塊				479,400					479,400
33	Xinglong New City Hongshijun located at Nantumen Village and Hongshila Village, Xinglong Town, Xinglong County, Chengde City, Hebei Province, The PRC 興隆新城紅石郡	963,700		588,600	951,700		211,700			2,715,700
34	Changcheng Shili Chunfeng Zhen located at Erdaohe Village, Liudaohu Town, Xinglong County, Chengde City, Hebei Province, The PRC 長城十里春風鎮	267,000		139,400	258,900					665,300
35	Anxin Jiayuan located at Luanping County, Chengde City, Hebei Province, The PRC 遷平安馨家園	24,100								24,100

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	
36	Guanhu Phase I located at Luoping County, Chengde City, Hebei Province, The PRC 樂平觀湖一期	163,800								163,800
37	Sanhe Yanjiao Headquarters Base, located at the south of Jingn Street and west of Northwest East Road, Yanjiao Town, Sanhe City, Hebei Province, The PRC三河燕郊總部基地			1,024,300						1,024,300
38	A parcel of land located at the east side of Daxiang Line, south side of Heyuan Road, Xianghe County, Langfang City, Hebei Province, The PRC香河德賢 匯項目				101,800					101,800
39	A parcel of land, 9 buildings located at the west of Hexiang Road, north of WeiJi'er Road, Xianghe County, Langfang City, Hebei Province, The PRC 河北省廊坊市香河縣有產權資產					39,500				39,500
40	MCC Mingyuan Project and MCC Mingcheng Project located between Huatian Road to the north and Shiyuan Road to the south in Zhuozhou, Hebei Province. The PRC中冶名苑、中冶名誠	503,300		336,900						840,200
41	A parcel of land of Wu Kuang Weilaili Plaza located at north of Huatian Road and south of Huatian North Road, Zhuozhou, Hebei Province. The PRC五礦未來裡廣場土地				64,400					64,400

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		<i>RMB'000 Group I</i>	<i>RMB'000 Group II</i>	<i>RMB'000 Group III</i>	<i>RMB'000 Group IV</i>	<i>RMB'000 Group V</i>	<i>RMB'000 Group VI</i>	<i>RMB'000 Group VII</i>	<i>RMB'000 Group VIII</i>	
42	Minmetals Mingda Center and Mingxin Center located at the north side of Huatian Road and the west side of Tengfei Street, Zhuozhou, Hebei Province. The PRC 涿州五礦名達中心、名信中心	17,600		545,300						562,900
43	A parcel of land (2020- No.33) located at north of Huatian Road and south of Huatian North Road, Zhuozhou, Hebei Province. The PRC 2020-33號地						154,100			154,100
44	MCC Qinhai Yunshu located at South of Binhai East Road, East Side of Qinshui River, Muping District, Yantai City, Shandong Province. The PRC 煙台中冶沁海雲墅	901,900	68,420		525,980					1,496,300
45	No.335 Shilin Third Road, Jimo District, Qingdao City, Shandong Province. The PRC 青島中冶盛世廣場項目				164,250					164,250
46	Qingdao Dexian Gongguan located at No.333 Hongyanhe 1st Road, Jimo District, Qingdao City, Shandong Province. The PRC 青島德賢公館項目	166,620								166,620
47	Xiongan Dexian Mansion – Jinxiu Mansion located at Bitang Street, Start-up Area, Xiongan New Area, Hebei Province, The PRC 雄安新區XACR-2021-031項目	914,720		445,400						1,360,120

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	
48	Tangshan Dexian Mansion – Jinxiu Mansion located at East Side of Jianshe South Road, South Side of Jiada South Street, West Side of Daxue North Road, North Side of Daxue Road, Lunan District, Tangshan City, Hebei Province, The PRC唐山老交大火車站片區A區B-10、B-11及B-12地塊	297,180		669,900						967,080
49	Suzhou Jinxiu Yazhui located at No. 168, Shuxiang Road, Xiangcheng District, Suzhou City, Jiangsu Province, The PRC蘇州錦繡雅著	349,800		1,222,600						1,572,400
50	Nanjing MCC Jinxiu Longwan, located at Jiezhizha Road, Qinhua District, Nanjing City, Jiangsu Province, The PRC南京中冶錦繡龍灣	42,800								42,800
51	Nanjing MCC Shengshi Riverside – Hutchison/Jinxiu Huafu/Jinxiu Jiangshan, located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC南京中冶盛世濱江 – 和記洋行/錦繡華府/錦繡江山	500,500		476,000	961,600					1,938,100
52	Nanjing MCC Shengshi Riverside – Jinxiu Gongguan located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC南京中冶盛世濱江 – 錦繡公館	87,700		465,500						553,200

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	
53	Nanjing MCC Shengshi Riverside – Jinxiu Tianxi located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC 南京中冶盛世濱江 – 錦繡天璽	149,200								149,200
54	A parcel of land of Nanjing MCC Shengshi Riverside Plaza located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC						No Commercial Value			No Commercial Value
55	Nanjing MCC Jinxiu Heming, located at South of Fengji Avenue and West of Xinhu Avenue, Yuhuai District, Nanjing City, Jiangsu Province, The PRC 南京中冶盛世濱江 – 南京盛世廣場	480,100		1,771,700						2,251,800
56	A parcel of land located at Qilong Township, Nantong City, Jiangsu Province, The PRC 啟東土地						No Commercial Value			No Commercial Value
57	Hang Zhou MCC Jin Xiu Gong Guan located at Intersection of Cuibai Road and Jiagong Road, Xihu District, Hangzhou, Zhejiang Province, The PRC 杭州中冶錦繡公館	342,700			97,500					440,200

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		<i>RMB'000 Group I</i>	<i>RMB'000 Group II</i>	<i>RMB'000 Group III</i>	<i>RMB'000 Group IV</i>	<i>RMB'000 Group V</i>	<i>RMB'000 Group VI</i>	<i>RMB'000 Group VII</i>	<i>RMB'000 Group VIII</i>	<i>RMB'000</i>
58	Hang Zhou MCC Jin Xiu Huafu located at No. 827, Dongxin Road, Gongshu District, Zhejiang Province, The PRC 杭州中冶錦華府	61,200				451,100				512,300
59	Guangzhou Yijing Gongguan located at Jiangyan Road, Haizhu District, Guangzhou City, Guangdong Province, The PRC 廣州逸璟公館	2,050,000				39,900				2,089,900
60	Guangzhou Yijing Tai located at Yijing Subdistrict, Huangpu District, Guangzhou City, Guangdong Province, The PRC 廣州逸璟台	1,319,300								1,319,300
61	Zhuhai MCC Port Building located at east side of Fulin Dao, south side of Hong Kong-Macau Avenue, west side of Shizimen Waterway, north side of Haojiang Road, Hengqin New District, Zhuhai City, Guangdong Province, The PRC 珠海中冶口岸大廈	1,860,030								1,860,030
62	Zhuhai MCC Yi Jing Gongguan located at East side of Qianshou Dao, south side of Aiqin Road, west side of Qianfu Dao, north side of Huandao North Road, Hengqin New District, Zhuhai City, Guangdong Province The PRC 珠海中冶逸璟公館	743,400								743,400

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	
63	Zhuhai Hengqin Headquarters Tower Phase I&II located at Xiangjiao Road Area, Hengqin New Area, Zhuhai City, Guangdong Province, The PRC 珠海橫琴總部大廈一、二期	290,000		3,900,000						4,190,000
64	L'Aquatique located at No. 108 Castle Peak Road, Ting Kau, Tsing Lung Tau, Tsuen Wan, New Territories, Hong Kong 逸瓏灣項目							299,500		299,500
65	Hainan Sanya Mimetals International Plaza located at No. 128, Yingbin Road, Jiyang District, Sanya City, Hainan Province, The PRC 海南三亞五礦國際廣場項目	97,300				198,400				295,700
66	Baotou MCC Shijia located at South of Xiaoyuan Road, North of Xiaoyuan South Road, West of Linyin South Road, East of Railway Spur Line, Kun District, Baotou City, Inner Mongolia Autonomous Region, The PRC 包頭中冶·世家	13,330								13,330

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		<i>RMB'000 Group I RMB'000 Group II RMB'000 Group III RMB'000 Group IV RMB'000 Group V RMB'000 Group VI RMB'000 Group VII RMB'000 Group VIII</i>								
67	Baotou Dexian Gongguan located at South of Qingshan Road, East of Maoming'an Road, North of Tianyi Road, Jiuyuan District, Baotou City, Inner Mongolia Autonomous Region, The PRC包頭中冶 德賢公館	201,620								201,620
68	Baotou Dexian Huafu located at South of National Highway 110, West of Yongxi Road, Jiuyuan District, Baotou City, Inner Mongolia Autonomous Region, The PRC包頭中冶德賢華府	133,420		851,300	314,140					1,298,860
69	Properties located at No.12 Fixing Road, Haidian District, Beijing, The PRC有色本部		3,282,000						754,200	4,036,200
70	Properties located at No. 101, Huaxia Avenue, Advanced Manufacturing Development Zone, Mengjin District Luoyang City, Henan Province, The PRC洛陽中莊			36,770					173,940	210,710
71	Properties located at Qunai Village, Xinpu Town, Xiaonan District, Xiaogan City, Hubei Province, The PRC孝感恩菲								68,950	68,950
72	3 office units of Sunshine Mansion, No. 98 Shigu Road, Qinhuai District, Nanjing City, Jiangsu Province, The PRC置業本部南京								22,000	22,000

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		RMB'000 Group I	RMB'000 Group II	RMB'000 Group III	RMB'000 Group IV	RMB'000 Group V	RMB'000 Group VI	RMB'000 Group VII	RMB'000 Group VIII	RMB'000
73	Propertie located at lot 8, section 22, Geregere Street, and lot 2, Section 87, Boroko, Port Moresby, Papua New Guinea 巴布亞新幾內亞莫爾斯比港莫辦公寓								6,400	6,400
74	Propertie located at lot 5&6, section 26 and lot 7, Section 26, Madang Town, Papua New Guinea 巴布亞新幾內亞Madang Inn公寓								2,970	2,970
		19,570,670	5,125,800	19,575,500	4,969,970	2,329,290	365,800	299,500	9,370	52,245,900
	Total									

Notes:

- With the exception of Property No. 12, owned by Beijing New Century Hotel Company Limited (a 60%-owned subsidiary of the Group) and Property No. 70 (a 67.8%-owned subsidiary), all properties are wholly owned by the Group. The Group comprises three core entities: MCC Real Estate Group Co., Ltd. and its wholly-owned subsidiaries (holding Properties 1-11, 13-68, and 72); China Nonferrous Engineering Co., Ltd. and its wholly-owned subsidiaries (holding Properties 69 and 71); and Ramu Nico Management (MCC) Ltd. (holding Properties 73 and 74).
- We have attributed no commercial value to the properties which had not been assigned to the Group and thus the title of properties had not been vested in the Group, or that had defective title as at the valuation date. However, for reference purpose, we are of the opinion that the market value of these properties as at the valuation date would be RMB5,833,681,421, assuming the property can be freely transferred, leased, mortgaged or otherwise disposed of by the Group. For details, please refer to the Valuation Certificate Nos.1,2,11,12,21,35,36,39,44,46,47,48,51,52,53,54,56,60,61,62,66,67,70,71 and 73.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
1. 12 retail units and 50 residential units of Jing Tai Xi Li Dong Qu/ Xi Qu, located at 120 Meters South of the Intersection of Anlelin Middle Street and Anlelin Third Lane, Dongcheng District, Beijing, The PRC (東城區景泰西裡東區／西區)	Jing Tai Xi Li Dong Qu/ Xi Qu is a residential and commercial development situated at 120 Meters South of the Intersection of Anlelin Middle Street and Anlelin Third Lane, Dongcheng District, it was completed between 2005 and 2006. The property comprises 12 retail units and 50 residential units with a total gross floor area of approximately 9,534.85 sq.m. The details of the property are set out as note 2. The land use rights of the property have been granted for terms expiring on 26 December 2073 for residential use, and 26 December 2043 for commercial use.	As at the valuation date, the 50 residential units were occupied by the owner, the 12 retail units were leased for commercial use.	410,600,000

Notes:

1. Pursuant to 5 Real Estate Title Certificates – Jing Chongwen Qu Gu Zi Di Nos.00500, 00501, 00497, X Jing Chongwen Qu Zi Di No.039373 and Chongwen Qu Gu Zi Di No. 15527, the property with a total gross floor area of approximately 8,787.21 sq.m. is owned by MCC Real Estate Group Co., Ltd. (中冶置业集团有限公司, “MCC Real Estate”) The relevant land use rights have been granted to MCC Real Estate for a term expiring on 26 December 2073 for residential use, 26 December 2043 for commercial use.

2. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)
Group I- Completed Properties held for sale	Commercial and Residential	4,541.98
Group V-Properties held for owner-occupation in the PRC	Residential	4,992.87
Total		<u>9,534.85</u>

3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:

- a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the “Real Estate Registration Information Query Result Notification”.

4. As at the valuation date, the 3 residential units with a total gross floor area of approximately 747.64 sq.m had not been assigned to MCC Real Estate and thus the title of the property had not been vested in MCC Real Estate. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB47,800,000 assuming the relevant title certificates have been obtained by MCC Real Estate and MCC Real Estate is entitled to freely transfer the property.

5. A summary of major certificates/approvals is shown as follows:

- a. Real Estate Title Certificate Portion

6. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	136,500,000
Group V- Properties held for owner-occupation in the PRC	<u>274,100,000</u>
Total	<u>410,600,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
2.	A retail unit, 3 office units and 12 apartment units, located at No. 1, Jinyuchi Middle Street, Dongcheng District, Beijing, The PRC (東城區金魚池中街)	The property comprises 1 retail unit, 3 office units and 12 apartment units with a total gross floor area of approximately 1,471.08 sq.m and 295 car parking spaces, which were completed in 2009. The land use rights of the property have been granted for a term expiring on 28 August 2044 for commercial use.	As at the valuation date, 1 retail unit, 3 office units and 12 apartment units were leased for commercial and office use. 295 car parking space were vacant as at the valuation date. 77,200,000

Notes:

- Pursuant to 293 Real Estate Title Certificates, the property with a total gross floor area of approximately 1,114.14 sq.m. and 5 car parking space are owned by MCC Real Estate. An apartment unit with a total gross floor area of approximately 51.74 sq.m. and 290 car parking spaces are owned by Beijing Haike Real Estate Development Co., Ltd. (北京海科房地產開發有限公司, “**Beijing Haike Real Estate**”). The relevant land use rights have been granted to MCC Real Estate and Beijing Haike Real Estate for a term expiring on 28 August 2044 for commercial use.
- We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the “Real Estate Registration Information Query Result Notification”.
- As at the valuation date, an apartment unit, an office unit and a retail unit with a total gross floor area of approximately 305.20 sq.m had not been assigned to MCC Real Estate and thus the title of the property had not been vested in MCC Real Estate. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB12,500,000 assuming the relevant title certificates have been obtained by MCC Real Estate and MCC Real Estate is entitled to freely transfer the property.
- A summary of major certificates/approvals is shown as follows:
 - Real Estate Title Certificate Portion
- For the purpose of this report, the property is classified into the group as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
3. 9 retail units and 9 storage units of Wang Jing You Le Hui, located at Intersection of Guangshun South Street & Futong East Street, Chaoyang District, Beijing, The PRC (望京悠樂匯項目)	Wang Jing You Le Hui is a commercial development situated at intersection of Guangshun South Street & Futong East Street, Chaoyang District. Wang Jing You Le Hui was completed between 2008 and 2009.	As at the valuation date, the property was vacant for sale.	94,250,000
	The property comprises 9 retail units and 9 storage units with a total gross floor area of approximately 2,118.85 sq.m, and 497 car parking spaces.		

Notes:

1. Pursuant to 515 Real Estate Title Certificates, the property with a total gross floor area of approximately 2,118.85 sq.m. and 497 car parking spaces is owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group I-Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
4. 4 residential units of No.17 Building located at Xin'an Li, Daxing District, Beijing, The PRC (大興區新安裡)	The property comprises 4 residential units in Xin'an Li, which is a residential development completed in 2008. The property has a total gross floor area of approximately 294.86 sq.m.	The property was leased out as at the valuation date.	6,200,000

Notes:

1. Pursuant to 4 Real Estate Title Certificates – X Jing Fang Quan Zheng Xing Zi Di Nos. 009003, 009010, 009620 and 009669, 4 residential units with a total gross floor area of approximately 294.86 sq.m. are owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as " Group I-Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
5. A residential unit of No.4 Building, located at Xinghai Yuan, Yinghai Town, Daxing District, Beijing, The PRC	The property comprises a residential unit in Xinghai Yuan, which is a residential development completed in 2004.	The property was leased out as at the valuation date.	1,900,000
(大兴瀛海镇兴海园)	The property has a gross floor area of approximately 71.09 sq.m..		

Notes:

1. Pursuant to a Real Estate Title Certificate – Jing (2021) Da Bu Dong Chan Quan Di No. 0019476, a residential unit with a gross floor area of approximately 71.09 sq.m. are owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group I-Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
6. A residential unit of Building 65 located at Anlelin Road, Dongcheng District, Beijing, The PRC (東城區安樂林65號樓)	The property comprises a residential unit in Building 65, which was completed in 2006. The property has a gross floor area of approximately 64.96 sq.m.. The land use rights of the property have been granted for a term expiring on 1 July 2076 for residential use.	As at the valuation date, the property was occupied by the owner.	4,400,000

Notes:

1. Pursuant to a Real Estate Title Certificate –X Jing Chong Gu Zi Di No.07001367, the property with a gross floor area of approximately 64.96 sq.m. is owned by MCC Real Estate. The relevant land use rights have been granted to MCC Real Estate for a term expiring on 1 July 2076 for residential use.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group I-Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
7. A single-storey house of Building 1, located at 37 Paizi Hutong, Xicheng District, Beijing, The PRC (西城區排子胡同37號1幢1層)	The property comprises a single-storey house with a total gross floor area of approximately 8.1 sq.m., which situated at 37 Paizi Hutong, Xicheng District, Beijing. The property was completed in 1970's and occupies a parcel of land with a total site area of approximately 8.1 sq.m for residential use.	As at the valuation date, the property was vacant for sale.	1,000,000

Notes:

1. Pursuant to a Real Estate Title Certificate – X Jing Fang Quan Zheng Xuan Zi Di No. 012234, the property with a gross floor area of approximately 8.1 sq.m. is owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group I-Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
8. A single-storey house of Building 10, located at 37&39 Yuxin Street, Xicheng District, Beijing, The PRC (西城區育新街37、39號10幢1層)	The property is a single-storey house with a gross floor area of approximately 16.6 sq.m., which situated at 37&39 Yuxin Street, Xicheng District, Beijing. The property was completed in about 1940's and occupies a parcel of land with a total site area of approximately 16.6 sq.m for residential use.	As at the valuation date, the property was vacant for sale.	1,600,000

Notes:

1. Pursuant to a Real Estate Title Certificate – X Jing Fang Quan Zheng Xuan Zi Di No. 012246, the property with a total gross floor area of approximately 16.6 sq.m. is owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group I-Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
9.	A single-storey house of Building 3, located at 2&4 Xiyangmao Hutong, Xicheng District, Beijing, The PRC (西城區西楊茅胡同2、 4號3幢1層)	The property is a single-storey house with a gross floor area of approximately 10.6 sq.m., which situated at 2&4 Xiyangmao Hutong, Xicheng District, Beijing. The property was completed in 2001 and occupies a parcel of land with a total site area of approximately 10.6 sq.m for residential use.	As at the valuation date, the property was vacant for sale.	1,300,000

Notes:

1. Pursuant to a Real Estate Title Certificate – X Jing Fang Quan Zheng Xuan Zi Di No. 012489, the property with a total gross floor area of approximately 10.6 sq.m. is owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group I-Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
10. 5-101, First floor, Building 4, Daojiayuan, Chaoyang District, Beijing, The PRC (朝陽區道家園4號樓1層5-101)	The property is a residential area situated at Room 5-101, First Floor, Building 4, Daojiayuan, Chaoyang District. The property has a total gross floor area of approximately 53.01 sq.m.	As at the valuation date, The property was vacant for sale.	2,300,000

Notes:

1. Pursuant to a Real Estate Title Certificates – X Jing Fang Quan Zheng Chao Zi Di No. 750662, a residential unit with a total gross floor area of approximately 53.01 sq.m. is owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the following groups as "Group I-Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
11. Beijing MCC Dexian Gongguan located at No. 6 Dexian East Road, Daxing District, Beijing, The PRC (北京中冶德賢公館)	Beijing MCC Dexian Gongguan is a residential development situated at No. 6 Dexian East Road, Daxing District, Beijing, the PRC.	As at the valuation date, the property was vacant for sale.	72,100,000
	The property was completed in 2016. It comprises the unsold portion of Beijing MCC Dexian Gongguan with a total gross floor area of approximately 5,318.52 sq.m. and 244 car parking spaces.		
	The land use rights of the property have been granted for a term expiring on 7 August 2082 for residential use, 7 August 2052 for commercial use, and 7 August 2062 for storage, carpark and office use.		

Notes:

1. Pursuant to Real Estate Title Certificate (Land) – Jing Xing Guo Yong (2014 Chu) No. 00164, the land use rights with a site area of approximately 52,539.00 sq.m. have been granted to Beijing MCC Minghong Real Estate Co. Ltd. (北京中冶名弘置业有限公司, “**MCC Minghong**”). for terms expiring on 7 August 2082 for residential use, 7 August 2052 for commercial use, and 7 August 2062 for storage, carpark and office use.
2. Pursuant to 14 Real Estate Title Certificate, including Jing (2016) Da Xing Qu Bu Dong Chan Quan No.0064270 etc., the property with a total gross floor area of approximately 188,169.08 sq.m. (including the property) is owned by MCC Minghong”.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Minghong holds the real estate property rights corresponding to serial numbers 1 to 514 under the “Real Estate Registration Information Query Result Notification”.
4. As at the valuation date, 117 out of 244 car parking spaces had not been assigned to MCC Minghong and thus the title of these car parking spaces had not been vested in MCC Minghong. Therefore, we have attributed no commercial value to these car parking spaces mentioned above. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB23,400,000 assuming the relevant title certificates have been obtained by MCC Minghong and MCC Minghong is entitled to freely transfer these 117 car parking spaces.
5. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Portion
6. For the purpose of this report, the property is classified into the group as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
12. New Century Hotel, located at Courtyard 6, Shouti South Road, Haidian District, Beijing, The PRC (北京新世紀飯店)	The property is situated at Courtyard 6, Shouti South Road, Haidian District, Beijing. The property comprises 14 buildings with a total gross floor area of approximately 106,050.77 sq.m. The land use rights of one building of the property have been granted for a term expiring on 28 December 2054 for office use, and the land use rights of remaining 13 buildings of the property have been allocated for a term expiring on 23 January 2022 for restaurant use.	As at the valuation date, portions of the property with a gross floor area of approximately 3,505.17 sq.m. were leased to a tenant for office use, the other portions with a total gross floor area of approximately 102,545.60 sq.m. were operated as a hotel.	94,420,000

Notes:

1. Pursuant to a Real Estate Title Certificate (Land) – Jing Shi Hai She Wai Guo Yong (2006 Chu) Di No. 10415, the land use rights with a site area of approximately 1,050.60 sq.m., have been granted to Beijing New Century Hotel Co., Ltd. (北京新世紀飯店有限公司, “New Century Hotel”) for a term expiring on 28 December 2054 for office use.
2. Pursuant to a Real Estate Title Certificate –X Jing Fang Quan Zheng Hai She Wai Zi Di No.011316, a building of the property with a gross floor area of approximately 3,505.17 sq.m. were leased to a tenant for office use.
3. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)
Group II- Properties held for investment in the PRC	Office	3,505.17
Group V-Properties held for owner-occupation in the PRC	Retail	102,545.60
Total	–	<u>106,050.77</u>

4. In valuing the portion of the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a market monthly rent of RMB183.6 per sq.m., exclusive of management fees, water and electricity charges. For the valuation, a market yield rate of 5.5% was applied, considering the location and characteristics of the property.
5. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. New Century Hotel has obtained the Real Estate Title Certificate of the property.
6. As at the valuation date, the land use term for the 13 buildings and ancillary facilities with a total gross floor area of approximately 102,545.60 sq.m has expired. These buildings and facilities are currently used for hotel operations, and the ownership of this part of the property has not been vested in New Century Hotel. Therefore, we have attributed no commercial value to the above portions. However, for reference purpose, we are of the opinion that the total reference value of the above portions as at the valuation date would be RMB439,940,000 assuming the property can be freely transferred, leased, mortgaged or otherwise disposed of by the relevant property owner.
7. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Portion
8. For the purpose of this report, the property is classified into the group as “Group II-Properties held for investment in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
13. Beijing MCC Dexian Yufu located at No.2 Courtyard, Dongwei 3rd Road, Chaoyang District, Beijing, The PRC (北京中冶德賢御府)	Beijing MCC Dexian Yufu is a residential development situated at No. 2 Courtyard, Dongwei 3rd Road, Chaoyang District, Beijing. The property is a completed project comprising the unsold portion with a total gross floor area of approximately 9,782.43 sq.m. of residential space, 1,542.71 sq.m. of storage spaces and 351 car parking spaces. The land use rights of the property have been granted for a term expiring on 16 May 2091 for residential use.	As at the valuation date, the property was vacant for sale.	586,800,000

Notes:

1. Pursuant to 8 Real Estate Title Certificates, including Jing (2025) Chao Bu Dong Chan Quan Di No.0006085, etc., the property with a total gross floor area of approximately 62,173.59 sq.m. (including the property) is owned by Beijing MCC Mingding Real Estate Development Co., Ltd. (北京中冶名鼎房地產開發有限公司, “MCC Mingding”). The relevant land use rights have been granted to MCC Mingding for a term expiring on 16 May 2091 for residential use.
2. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
3. For the purpose of this report, the property is classified into the group as “Group I–Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
14. Tianjin Juilliard School located at No. 2946 Xinhua Road, Central Business District, Binhai New Area, Tianjin City, The PRC (天津茱莉亚学校)	The property comprises a parcel of land with a site area of approximately 18,524.50 sq.m. and a building erected thereon which was completed in 2020. The building has a gross floor area of approximately 48,097.26 sq.m.. The land use rights of the property have been granted to the Group for a term expiring on 9 May 2067 for scientific and educational use.	The property was occupied as a school as at the valuation date.	1,263,900,000

Notes:

1. Pursuant to a Real Estate Title Certificate – Jin (2021) Bin Hai Xin Qu Zhong Xin Shang Wu Qu Bu Dong Chan Quan Di No. 7097079, a building with a gross floor area of approximately 48,097.26 sq.m. are owned by Tianjin MCC Mingjin Real Estate Co., Ltd. (天津中冶名金置业有限公司, “MCC Mingjin”). The relevant land use rights have been granted to Mingjin Real Estate for a term expiring on May 2067 for scientific and educational use.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Mingjin Real Estate holds the real estate property rights corresponding to serial number 1 under the “Tianjin Real Estate Registration Information Query Result Notification”.
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the following groups as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
15. Qixian Nanli located at the northwest side of the intersection of Heiniucheng Avenue and Neijiang North Road, Hexi District, Tianjin, The PRC (七賢南裡)	Qixian Nanli is a complex development situated at the northwest side of the intersection of Heiniucheng Avenue and Neijiang North Road, Hexi District, Tianjin. The property is a completed project comprising a total gross floor area of approximately 87,740.57 sq.m. of retail spaces, 204.13 sq.m. of loft spaces and 1,254 car parking spaces. The classification, usage and gross floor area details of the property are set out in note 2. The land use rights of the property have been granted for a term expiring on 28 January 2055.	As at the valuation date, portions of the property with a total gross floor area of approximately 84,164.1 sq.m. were leased to various tenants for retail uses, the other portions with a total gross floor area of approximately 1,700.01 sq.m. were vacant for sale, whilst the remaining portion with a total gross floor area of approximately 2,080.59 sq.m. was occupied by the Group for self-use.	1,351,600,000

Notes:

1. Pursuant to 350 Real Estate Title Certificates, including Jin (2019) He Xi Qu Bu Dong Chan Quan Di No. 1031683, ect. The property with a total gross floor area of approximately 87,944.7 sq.m. is owned by Mcc Mingtai Real Estate Company of Tianjin Ltd. (天津中冶名泰置业有限公司, “MCC Mingtai”). The relevant land use rights have been granted to MCC Mingtai for a term expiring on 28 January 2055.

2. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA(sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Retail	1,495.88	—
	Loft	204.13	—
	Carpark	—	1,254
Group II- Properties held for investment in the PRC	Retail	84,164.1	—
Group V-Properties held for owner-occupation in the PRC	Retail	2,080.59	—
Total	—	<u>87,944.7</u>	<u>1,254</u>

3. Pursuant to two Tenancy Agreements entered into between MCC Mingtai and MCC Mingjun Commercial Management (Zhuhai) Co., Ltd. Tianjin Branch, portions of the property with a total gross floor area of approximately 85,673 sq.m. (including 28F Wangxin Building) are leased for retail use with the expiry date on 30 April 2030 and the total monthly rent receivable as at the valuation date was approximately RMB2,235,181.08 exclusive of management fees, water and electricity charges.

4. In valuing the investment portion of the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a market monthly rent ranging from RMB66 to RMB118 per sq.m., exclusive of management fees, water and electricity charges. For the valuation, a market yield rate of 5% to 5.5% was applied, considering the location and characteristics of the property.

5. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:

- a. MCC Mingtai has obtained the real estate property rights corresponding to serial numbers 1 to 489 under the “Tianjin Real Estate Registration Information Query Results”.

6. A summary of major certificates/approvals is shown as follows:

- a. Real Estate Title Certificate Yes

7. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	242,400,000
Group II- Properties held for investment in the PRC	1,088,500,000
Group V- Properties held for owner-occupation in the PRC	<u>20,700,000</u>
Total	<u>1,351,600,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
16. Qixian Beili located at the southwest side of the intersection of Dagu South Road and Neijiang North Road, Hexi District, Tianjin, The PRC (七賢北裡)	Qixian Beili is a residential development situated at the southwest side of the intersection of Dagu South Road and Neijiang North Road, Hexi District, Tianjin. The property is a completed project comprising the unsold portion with a total gross floor area of approximately 1,730.35 sq.m. of ancillary retail spaces and 1,054 car parking spaces. The land use rights of the property have been granted to Mcc Mingtai Real Estate Company Of Tianjin Ltd. The retail use term for portion of the retail units expires on 28 January 2055, and for the remaining portion of the retail units on 28 July 2055. The car park use term expires on 28 January 2085.	As at the valuation date, the property was vacant for sale.	214,300,000

Notes:

1. Pursuant to 12 Real Estate Title Certificates, including Jin (2018) He Xi Qu Bu Dong Chan Quan Di No. 1010195 etc., the property with a total gross floor area of approximately 1,730.35 sq.m. is owned by Mcc Mingtai Real Estate Company Of Tianjin Ltd. (天津中冶名泰置业有限公司, “MCC Mingtai”). The relevant land use rights have been granted to MCC Mingtai. The retail use term for one portion of the retail units expires on 28 January 2055, and for the other portion on 28 July 2055. The car park use term expires on 28 January 2085.

2. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA(sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Carpark	–	1,054
Group II- Properties held for investment in the PRC	Retail	1,730.35	
Total	–	<u>1,730.35</u>	<u>1,054</u>

3. In valuing the investment portion of the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a market monthly rent ranging from RMB91 to RMB120 per sq.m., exclusive of management fees, water and electricity charges. For the valuation, a market yield rate of 5.5% was applied, considering the location and characteristics of the property.

4. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:

- a. MCC Mingtai has obtained the real estate property rights corresponding to serial numbers 1 to 489 under the “Tianjin Real Estate Registration Information Query Results”.

5. A summary of major certificates/approvals is shown as follows:

- a. Real Estate Title Certificate Yes

6. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	183,700,000
Group II- Properties held for investment in the PRC	<u>30,600,000</u>
Total	<u>214,300,000</u>

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
17.	Tianjin MCC Dexian Hufu located at West side of the intersection of Tiantai Road and Jinpu North Road, Hebei District, Tianjin, The PRC (天津中冶德賢華府)	Tianjin MCC Dexian Hufu is a residential development located at West side of the intersection of Tiantai Road and Jinpu North Road, Hebei District, Tianjin. The property comprises two portions. The first portion was the unsold portion completed in 2021. The second portion was still under construction (“CIP”) as at the valuation date. As advised by the Group, upon completion, the CIP will have a total gross floor area of approximately 126,600 sq.m. The CIP is scheduled to be completed in December 2027.	As at the valuation date, the CIP of the property was under construction and the completed portion was vacant for sale.	2,221,600,000

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
		The property comprises the unsold units of the completed portion and the CIP of Tianjin MCC Dexian Hufu with a total gross floor area of approximately 138,007.3 sq.m.. The classification, usage and gross floor area details of the property are set out in note 6. The construction cost of the CIP of the property is estimated to be approximately RMB537,800,000, of which approximately RMB265,800,000 had been paid up to the Valuation Date. The land use rights of the property have been granted for a term expiring on 21 May 2087 for residential use.		

Notes:

1. Pursuant to 3 Real Estate Title Certificates (Land) – Jin (2017) He Bei Qu Bu Dong Chang Quan Di Nos.1019231,1000881 and 1000882, the land use rights with a site area of approximately 50,627.2 sq.m., have been granted to Mcc Mingrui Real Estate Company Of Tianjin Ltd (天津中冶名瑞置业有限公司, “**MCC Mingrui**”), with granted a term expiring on 21 May 2087 for residential use.
2. Pursuant to Construction Land Planning Permits – 2017 He Bei Di Zheng 0003, permission towards the planning of the aforesaid land parcels with a total site area of approximately 64,392.6 sq.m. (including the property) has been granted to MCC Mingrui.
3. Pursuant to 2 Construction Work Planning Permits – Jian Zi Di Nos. 2019 He Bei Jian Zheng Shen Zi 0007 Bian Geng 04 and 2018 He Bei Jian Zheng Shen Zi 5002 Bian Geng 04 in favour of MCC Mingrui, MCC Mingrui have planned aboveground gross floor area of approximately 83,600 sq.m. approved for construction.
4. Pursuant to a Construction Work Commencement Permits – Nos.1201052019041501121, in favour of MCC Mingrui, permissions by the relevant local authority have been given to commence the construction of Tianjin MCC Dexian Hufu with a total gross floor area of approximately 126,600 sq.m..
5. Pursuant to 82 Real Estate Title Certificates – including Jin (2021) He Bei Qu Bu Dong Chan Quan Di No.7366223 etc., the completed portion with a gross floor area of approximately 11,407.3 sq.m. is owned by MCC Mingrui.
6. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA(sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Residential	8,955.25	
	Retail	2,452.05	
	Carpark		232
Group III- Properties held under development in the PRC	Retail	126,600	
Total		<u>138,007.3</u>	<u>232</u>

7. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Mingrui has obtained the real estate property rights corresponding to serial numbers 1 to 117 under the “Tianjin Real Estate Registration Information Query Results”.

8. A summary of major certificates/approvals is shown as follows:

a.	Real Estate Title Certificate (for land)	Yes
b.	Construction Work Planning Permit	Yes
c.	Construction Work Commencement Permit	Yes
d.	Pre-sale Permit	No
e.	Construction Work Completion and Inspection Certificate/Table	No
f.	Real Estate Title Certificates	Portion

9. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	407,700,000
Group III- Properties held under development in the PRC	<u>1,813,900,000</u>
Total	<u><u>2,221,600,000</u></u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
18. Room 2503 and 2505 of an office building, No. 37 Huaqiao Road, Gulou District, Nanjing City, Jiangsu Province, The PRC	The property comprises 2 office units with a total gross floor area of approximately 292.66 sq.m.. The land use rights of the property have been granted for a term expiring on 1 January 2043 for office use.	As at the valuation date, the property was occupied by the Group as office.	6,300,000
(中冶置業集團物業服務有限公司本部)			

Notes:

1. Pursuant to 2 Real Estate Title Certificates – Su (2018) Ning Gu Bu Dong Chan Quan No. 0003470 and Su (2024) Ning Gu Bu Dong Chan Quan No. 0024181, the property with a total gross floor area of approximately 292.66 sq.m. is owned by MCC Real Estate Group Property Services Co., Ltd. (中冶置業集團物業服務有限公司本部, “MCC Real Estate Group Property Services”). The relevant land use rights have been granted for a term expiring on 1 January 2043 for office use.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate Group Property Services holds Real Estate Title Certificate – Su (2018) Ning Gu Bu Dong Chan Quan No. 0003470 and Su (2024) Ning Gu Bu Dong Chan Quan No. 0024181.
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as “Group V–Properties held for owner-occupation by the Group in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
19. Beijing MCC Dexian Huafu located at No. 1 Courtyard, Siyuan Street, Daxing District, Beijing, The PRC (北京中冶德賢華府)	Beijing MCC Dexian Huafu is a residential development located at No. 1 Courtyard, Siyuan Street, Daxing District, Beijing. The property comprises two portions. The first portion was the unsold portion completed in 2024. The second portion was still under construction (“CIP”) as at the valuation date. As advised by the Group, upon completion, the CIP will have a total gross floor area of approximately 153,923.54 sq.m. The CIP is scheduled to be completed in October 2026. The classification, usage and gross floor area details of the property are set out in note 8. The construction cost of the CIP of the property is estimated to be approximately RMB797,700,000, of which approximately RMB490,600,000 had been paid up to the Valuation Date.	As at the valuation date, the CIP of the property was under construction and the completed portion was vacant for sale.	4,154,000,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
	The land use rights of the property have been granted for terms expiring on 17 May 2091 for residential use, 17 May 2061 for retail use and 17 May 2071 for car park & storage use.		

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract–Jing Gui Zi Chu He Zi (2021) Di 0053 Hao dated 18 May 2021 and a series of supplementary agreements, the land use rights of a parcel of land with a site area of approximately 89,873.86 sq.m. were contracted to be granted to Beijing MCC MingYing Real Estate Development Co., Ltd. (北京中冶名盈房地產開發有限公司, “MCC Mingying”) for terms of 70 years for residential use; 40 years for retail use and 50 years for car park & storage use. The total land premium was RMB6,328,476,186.
2. Pursuant to Real Estate Title Certificates (Land) – Jing (2024) Da Bu Dong Chang Quan Di No.0020790, the land use rights of a parcels of land, with a site area of approximately 89,873.86 sq.m., have been granted to MCC Mingying for terms expiring on 17 May 2091 for residential use, 17 May 2061 for retail use and 17 May 2071 for car park & storage use.
3. Pursuant to 2 Construction Work Planning Permits – Jian Zi Di No.110115202300096 and 110115202300079 in favour of MCC Mingying, MCC Mingying have planned gross floor area of approximately 153,923.54 sq.m. approved for construction.
4. Pursuant to a Construction Work Commencement Permits – Nos.110115202306080101, in favour of MCC Mingying, permissions by the relevant local authority have been given to commence the construction of MCC Mingying with a total gross floor area of approximately 153,923.54sq.m..
5. Pursuant to 2 Pre-sales Permits –Jing Fang Shou Zheng Zi (2023) No 80 and Jing Fang Shou ZhengZi (2024) No 44 in favour of MCC Mingying, MCC Mingying is entitled to sell 7 buildings with a total gross floor area of approximately 61,253.92 sq.m..
6. Pursuant to 3 Real Estate Title Certificates – Jing (2024) Da Bu Dong Chang Quan Di No.002357, 0023614 and 0023730, the completed portion of Dexian Huafu with a gross floor area of approximately 108,719.39 sq.m. (including the property) is owned by MCC Mingying.
7. As advised by the company, various residential and storage units with a total gross floor area of approximately 2,703.17 sq.m.and 11 car parking spaces have been pre-sold to various third parties at a total consideration of RMB70,703,637. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.

8. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA(sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Residential	49,839.95	
	Storage	2,139.74	
	Carpark		428
Group III- Properties held under development	Residential	153,923.54	
Total		205,903.23	428

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:

- a. MCC Mingying has obtained the real estate property rights corresponding to serial numbers 1 to 1538 according to the Real Estate Registration Information Query Result.

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Work Planning Permit	Yes
d.	Construction Work Commencement Permit	Yes
e.	Pre-sale Permit	Portion
f.	Construction Work Completion and Inspection Certificate/Table	Portion
g.	Real Estate Title Certificates	Portion

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	1,706,000,000
Group III- Properties held under development in the PRC	2,448,000,000
Total	4,154,000,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
20. JinAo International Building, located at No.17&19 Madian Dong Road, Haidian District, Beijing, The PRC (北京金澳國際)	JinAo International Building is situated at No.17&19 Madian Dong Road, Haidian District, Beijing. It is a complex development which was completed at the end of 2009. As portion of JinAo International Building, the property comprises 28 apartment units, 3 commercial units, 12 storage units, 32 car parking spaces for sale with a total gross floor area of approximately 7,502.44 sq.m., and various units of office, storage and car parking spaces for owner-occupation with a total gross floor area of approximately 6,557.82 sq.m..	As at the valuation date, 28 apartment units, 3 commercial units, 12 storage units and 32 car parking spaces were vacant for sale, and other various units of office, storage and car parking spaces were occupied by the owner.	233,200,000

Notes:

1. Pursuant to 2 Real Estate Title Certificates – X Jing Fang Quan Zheng Hai Zi Di Nos. 248287 and 249927, various buildings with a total gross floor area of approximately 136,043.79 sq.m. (including the property) is owned by Beijing Haike Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Beijing Haike Real Estate holds the real estate property rights corresponding to serial numbers 1 to 478 under the "Real Estate Registration Information Query Result Notification."
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group the valuation date	Market value in existing state as at RMB
Group I- Held for sale in the PRC	97,900,000
Group V-Held for owner-occupation in the PRC	<u>135,300,000</u>
Total	<u><u>233,200,000</u></u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
21. Qujiangshan, located at 889 Xinkaimen Bei Road, Qujiangxin District, Xi'an City, Shaanxi Province, The PRC (西安曲江山)	Qujiangshan is situated at 889 Xinkaimen Bei Road, Qujiangxin District, Xi'an. It is a residential development which was completed in 2013. The property comprises the unsold portion of 788 car parking spaces and 11 commercial units, with a total gross floor area of approximately 25,842.42 sq.m..	The property was leased out as at the valuation date.	90,000

Notes:

1. Pursuant to a Real Estate Title Certificate – Shaan (2024) Xi'an Shi Bu Dong Chan Quan Di No. 0562940, a car parking space with a gross floor area of approximately 32.40 sq.m. is owned by Beijing Haike Real Estate.
2. Pursuant to a Tenancy Agreement, the property comprises 788 car parking spaces and 11 commercial units with a gross floor area of approximately 25,842.42 sq.m. was leased to an independent third party for commercial use with expiry date on 31 March 2027, and the total annual rent receivable as at the valuation date was approximately RMB733,944.95, exclusive of management fees, water and electricity charges.
3. In valuing the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a market monthly rent of RMB470 per car parking space, exclusive of management fees, water and electricity charges. For the valuation, a market yield rate of 5.5% was applied, considering the location and characteristics of the property.
4. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Beijing Haike Real Estate holds the real estate property rights corresponding to serial numbers 1 to 478 under the "Real Estate Registration Information Query Result Notification.
5. As at the valuation date, the remaining 787 car parking spaces and 11 commercial units had not been assigned to Beijing Haike Real Estate and thus the title of the property had not been vested in Beijing Haike Real Estate. Therefore, we have attributed no commercial value to this portion of the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB94,700,000 assuming the relevant title certificates have been obtained by Beijing Haike Real Estate and Beijing Haike Real Estate is entitled to freely transfer the property.
6. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Portion
7. For the purpose of this report, the property is classified into the group as "Group II-Completed Properties held for investment in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
22. Shijiazhuang Dexian Gongguan located at Xiangtai Road, Yuhua District, Shijiazhuang City, Hebei Province' The PRC (石家莊德賢公館)	The property comprises the unsold portion of Shijiazhuang Dexian Gongguan with a total gross floor area of approximately 11,950.46 sq.m and 1,687 car parking spaces. Shijiazhuang Dexian Gongguan is a complex development completed in 2019.	As at the valuation date, the property was vacant for sale.	230,900,000

The details of the property are set out as follows:

Usage	Gross Floor Area (sq.m.)
Residential	163.71
Commercial	3,838.10
Storage	7,246.98
Office	685.71
Apartment	15.96
Sub-total:	<u>11,950.46</u>

The land use rights of the property have been granted for a term expiring on 9 January 2086 for residential use.

Notes:

1. Pursuant to 2 Real Estate Title Certificates (Land) – Ji (2016) Shijiazhuang Shi Bu Dong Chan Quan Di Nos. 0012007 and 0012012, land use rights of 2 parcels of land with a site area of approximately 68,477.58 sq.m. have been granted to Hebei MCC Mingrun Real Estate Development Co., Ltd. (“**Hebei Mingrun**”) for a term expiring on 9 January 2086 for residential use.
2. Pursuant to a Construction Work Planning Permit – Jian Zi Di Jian Guan No. 130100201600043 in favour of Hebei Mingrun, Dexian Gongguan Project, which has a total gross floor area of approximately 285,573.50 sq.m. has been approved for construction.
3. Pursuant to a Construction Work Commencement Permit – No.30106201609290101 in favour of Hebei Mingrun, permissions by the relevant local authority have been given to commence the construction of Dexian Gongguan Project with a total gross floor area of approximately 285,573.50 sq.m..
4. Pursuant to 11 Pre-sales Permits – Shi Xing Shen Yu Shou Xu Jue (2020) Nos. 20,48 and 92, Shi Xing Shen Yu Shou Xu Jue (2019) Nos. 78, 134 and 177, Shi Xing Shen Yu Shou Nos. 2018001 and 2018129, Nos. 2017011,2017012 and 2016093, in favour of Hebei Mingrun, Hebei Mingrun is entitled to sell various residential units.
5. Pursuant to 2 Construction Work Completion and Inspection Certificate Nos. 2018J1301080018 and 2019J1301080015, in favour of Hebei MCC Mingrun Real Estate Development Co., Ltd. (“**Hebei Mingrun**”), the construction of the various buildings of Shijiazhuang Dexian Gongguan (including the property) has been completed and passed the acceptance inspection.
6. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Hebei Mingrun has obtained the real estate title certificates of the aforementioned property.
7. A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate (for land)	Yes
b. Construction Work Planning Permit	Yes
c. Construction Work Commencement Permit	Yes
d. Pre-sale Permit	Yes
e. Construction Work Completion and Inspection Certificate/Table	Yes
8. For the purpose of this report, the property is classified into the group as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
23. Shijiazhuang Shengshi Guangchang located at Xiangtai Road, Yuhua District, Shijiazhuang City, Hebei Province, The PRC (石家莊城市商業廣 場—盛世廣場和悅匯)	As portion of Shijiazhuang Shengshi Guangchang, the property comprises various office units with a total gross floor area of approximately 3,618.54 sq.m and various commercial units with a total gross floor area of approximately 43,350.01 sq.m.. Shijiazhuang Shengshi Guangchang is a commercial complex development completed in 2019. The land use rights of the property have been granted for a term expiring on 9 January 2056 for commercial use.	As at the valuation date, the commercial units with a gross floor area of 43,350.01 sq.m. were leased out to various tenants, the office units with a gross floor area of 3,618.54 sq.m. were occupied by the owner.	572,400,000

Notes:

1. Pursuant to a Real Estate Title Certificate – Ji (2021) Shijiazhuang Shi Bu Dong Chan Quan Di No. 0142850, various buildings with a total gross floor area of approximately 74,148.11 sq.m. is owned by Hebei Mingrun, the relevant land use rights have been granted to Hebei Mingrun for a term expiring on 9 January 2056 for commercial use (including the office portion of the property).
2. Pursuant to 6 Real Estate Title Certificate – Ji (2021) Shijiazhuang Shi Bu Dong Chan Quan Di Nos. 0053906, 0142845, 0142835, 0142883, Ji (2020) Shijiazhuang Shi Bu Dong Chan Quan Di Nos. 0097103 and 0097143, various buildings with a total gross floor area of approximately 43,350.01 sq.m. is owned by Hebei Mingrun, the relevant land use rights have been granted to Hebei Mingrun for a term expiring on 9 January 2056 for commercial use (including the commercial portion of the property).
3. Pursuant to various Tenancy Agreements entered into between Hebei Mingrun and various third parties, portions of the property with a total gross floor area of approximately 43,350.01 sq.m. were leased to various independent third parties for commercial use and the total monthly rent receivable as at the valuation date was approximately RMB1,443,278.56, exclusive of management fees, water and electricity charges.
4. In valuing the commercial portion of the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a range of market monthly rent from RMB30 to RMB129 per sq.m., exclusive of management fees, water and electricity charges. For the valuation, a market yield rate of 6% was applied, considering the location and characteristics of the property.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Hebei Mingrun has obtained the real estate title certificates of the aforementioned property.
6. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
7. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Held for investment in the PRC	525,000,000
Group V-Held for owner-occupation in the PRC	47,400,000
Total	<u>572,400,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
24. Shijiazhuang Dexian Huafu located at east of Zhonghua Bei Street, west of Xingbei Street, north of Xinyuan Road and south of Zhaotuo Road, Xinhua District, Shijiazhuang City, Hebei Province, The PRC (石家莊德賢華府)	The property comprises the unsold portion of Shijiazhuang Dexian Huafu with a total gross floor area of approximately 29,057.79 sq.m. and 1,595 car parking spaces. Shijiazhuang Dexian Huafu is a residential development completed in 2021.	The property was vacant as at the valuation date.	514,300,000

The details of the
property are set out as
follows:

Usage	Gross Floor Area (sq.m.)
Residential	19,376.19
Commercial	2,712.54
Storage	6,969.06
Sub-total:	<u>29,057.79</u>

The land use rights
of the property have
been granted for
terms expiring on 23
December 2088 for
residential use, expiring
on 23 December 2058
for commercial use and
23 December 2068 for
education use.

Notes:

1. Pursuant to a Construction Work Completion and Inspection Certificate 2021J1301010036 in favour of Shijiazhuang MCC Mingsheng Real Estate Development Co., Ltd. (“**Shijiazhuang Mingsheng**”), the construction of the various buildings of Shijiazhuang Mingsheng (including the property) has been completed and passed the acceptance inspection.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Shijiazhuang Mingsheng holds the real property rights under the “Shijiazhuang Real Estate Registration Information Query Result”.
3. A summary of major certificates/approvals is shown as follows
 - a. Construction Work Completion and Inspection Certificate/Table Yes
 - b. Real Estate Title Certificate No
4. For the purpose of this report, the property is classified into the group as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
25. A parcel of land situated to east of Zhonghua Bei Street, west of Xingbei Street, north of Xinyuan Road and south of Zhaotuo Road, Xinhua District, Shijiazhuang City, Hebei Province, The PRC (石家莊德賢盛世廣場—趙佗公園地塊)	The property comprises a parcel of land with a site area of approximately 23,024.99 sq.m. The land use rights of the property have been granted for a term expiring on 23 December 2058 for commercial use.	The property was vacant for future development. as at the valuation date.	285,100,000

Notes:

1. Pursuant to a Real Estate Title Certificate – Ji (2019) Shijiazhuang Shi Bu Dong Chan Quan Di No. 0002377, the land use rights of a parcel of land with a site area of approximately 23,024.99 sq.m. have been granted to Shijiazhuang Mingsheng for a term expiring on 23 December 2058 for commercial use.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Shijiazhuang Mingsheng holds the real property rights under the "Shijiazhuang Real Estate Registration Information Query Result".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group IV-Properties held for future development in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
26.	Dexian Yufu, located at east of West 3rd Ring Road, north of Shitong Road, Qiaoxi District, Shijiazhuang City, Hebei Province, The PRC (石家莊德賢御府)	Shijiazhuang Dexian Yufu is situated to east of West 3rd Ring Road, north of Shitong Road, Qiaoxi District, Shijiazhuang City. The development occupies 2 parcels of land (Land A and Land F) with a total site area of 100,394.31 sq.m.. The property comprises two portions. The first portion was the unsold portion completed in 2024 with a gross floor area of 136,244.66 sq.m. and 776 car parking spaces. The second portion was a parcel of land with a site area of approximately 38,052.80 sq.m., which will be developed into a residential development with a planned plot ratio of 4.5. As advised by the Group, the construction of the project was not commenced as at the valuation date. The land use rights of the property have been granted for terms expiring on 7 July 2091 for residential use, expiring on 7 July 2071 for education use and expiring on 7 July 2061 for commercial use.	As at the valuation date, the completed portion was vacant for sale, the land portion was vacant for future development.	1,484,000,000

Notes:

1. Pursuant to a State-owned Construcion Land Use Rights Grant Contract- No. (2020)100, the land use rights of a parcel of land with a site area of approximately 100,394.31sq.m. were contracted to be granted to Shijiazhuang Mingguan Real Estate Development Co., Ltd. ("Shijiazhuang Mingguan") for residential, commercial and education use commencing from the land delivery date. The total land premium was RMB2,075,000,000.
2. Pursuant to a Real Estate Title Certificate – Ji (2021) Shijiazhuang Shi Bu Dong Chan Quan Di No. 0081277, the land use rights of a parcel of land with a site area of approximately 38,052.80 sq.m. have been granted to Shijiazhuang Mingguan for a term expiring on 7 July 2091 for residential use, and expiring on 7 July 2061 for commercial use.
3. Pursuant to 2 Construction Work Planning Permits – Jian Zi Di Nos. 1301042025GG0028538 and 1301042024GG003646 in favour of Shijiazhuang Mingguan, Dexian Yufu with a total gross floor area of approximately 170,292.35 sq.m. has been approved for construction.
4. Pursuant to 2 Construction Work Completion and Inspection Certificate Nos. 2014J1301010031 and 2024J1301010055, in favour of Shijiazhuang Mingguan, the construction of the various buildings of Shijiazhuang Dexian Yufu (including the property) has been completed and passed the acceptance inspeciton.
5. As advised by the company, various residential units with a total gross floor area of approximately 12,715.15 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB173,960,824. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Shijiazhuang Mingguan has obtained the land use rights under the Real Estate Title Certificate (land).
 - b. Shijiazhuang Mingguan has obtained the relevant construction project planning permit, construction permit, pre-sales permits and construction work completion and inspection certificate.
7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Work Planning Permit	Yes
d.	Construction Work Completion and Inspection Certificate/Table	Portion
8. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Completed Properties held for sale in the PRC	874,200,000
Group IV-Properties held for future development in the PRC	609,800,000
Total	1,484,000,000

VALUATION CERTIFICATE

No.		Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB												
27.		Qinhuangdao Dexian Gongguan, located at the north of Zhujiang Road and east of Zhongshan Road, Development Zone, Qinhuangdao City, Hebei Province, The PRC (秦皇島德賢公館)	Qinhuangdao Dexian Gongguan is a residential development located at the north of Zhujiang Road and east of Zhongshan Road, Development Zone, Qinhuangdao City. The property comprises the unsold portion of Qinhuangdao Dexian Gongguan completed between 2020 and 2023 with a total gross floor area of approximately 3,156.02 sq.m.. The details of the property are set out as follows: <table><thead><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr></thead><tbody><tr><td>Residential</td><td>279.17</td></tr><tr><td>Storage</td><td>1,310.22</td></tr><tr><td>Car parking spaces</td><td>866.64 (69 lots)</td></tr><tr><td>Commercial</td><td>699.99</td></tr><tr><td>Sub-total:</td><td><u>3,156.02</u></td></tr></tbody></table> The land use rights of the property have been granted for a term expiring on 31 August 2085 for residential use.	Usage	Gross Floor Area (sq.m.)	Residential	279.17	Storage	1,310.22	Car parking spaces	866.64 (69 lots)	Commercial	699.99	Sub-total:	<u>3,156.02</u>	The property was vacant for sale as at the valuation date.	33,800,000
Usage	Gross Floor Area (sq.m.)																
Residential	279.17																
Storage	1,310.22																
Car parking spaces	866.64 (69 lots)																
Commercial	699.99																
Sub-total:	<u>3,156.02</u>																

Notes:

1. Pursuant to a Real Estate Title Certificate – Ji (2023) Qin Kai Bu Dong Chuan Quan Di No. 0000680, various buildings with a total gross floor area of approximately 124,521.92 sq.m. is owned by Qinhuangdao Jiajun Real Estate Development Co., Ltd. (“**Qinhuangdao Jiajun**”), the relevant land use rights have been granted to Qinhuangdao Jiajun for a term expiring on 31 August 2085 for residential use (including the property).
2. As advised by the company, various residential units, storage units, car parking spaces and commercial units with a total gross floor area of approximately 439.47 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB7,755,619. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Qinhuangdao Jiajun holds the real estate property rights corresponding to serial numbers 1 to 3 under the “Qinhuangdao Development Zone Real Estate Registration Information Query Result Notification”.
4. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
5. For the purpose of this report, the property is classified into the group as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>										
28.	Qinhuangdao Dexian Huafu, located at the west of Hengshan Road and south of Huaihe Road, Development Zone, Qinhuangdao City, Hebei Province, The PRC (秦皇島德賢華府)	Qinhuangdao Dexian Huafu is a residential development located at the west of Hengshan Road and south of Huaihe Road, Development Zone, Qinhuangdao City. The property comprises the unsold portion of Qinhuangdao Dexian Huafu completed between 2021 and 2023 with a total gross floor area of approximately 5,188.81 sq.m.. The details of the property are set out as follows: <table><thead><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr></thead><tbody><tr><td>Residential</td><td>227.23</td></tr><tr><td>Storage</td><td>1,583.83</td></tr><tr><td>Car parking spaces</td><td>3,377.75 (267 lots)</td></tr><tr><td>Sub-total:</td><td><u>5,188.81</u></td></tr></tbody></table> The land use rights of the property have been granted for terms expiring on 29 June 2083 and 22 February 2091 for residential use.	Usage	Gross Floor Area (sq.m.)	Residential	227.23	Storage	1,583.83	Car parking spaces	3,377.75 (267 lots)	Sub-total:	<u>5,188.81</u>	The property was vacant for sale as at the valuation date.	34,000,000
Usage	Gross Floor Area (sq.m.)													
Residential	227.23													
Storage	1,583.83													
Car parking spaces	3,377.75 (267 lots)													
Sub-total:	<u>5,188.81</u>													

Notes:

1. Pursuant to 3 Real Estate Title Certificates – Ji (2023) Qin Kai Bu Dong Chuan Quan Di Nos. 0001013, 0003291 and 0004675, various buildings with a total gross floor area of approximately 99200.78 sq.m. is owned by Qinhuangdao Jiajun, the relevant land use rights have been granted to Qinhuangdao Jiajun for a terms expiring on 29 June 2083 and 22 February 2091 for residential use (including the property).
2. As advised by the company, various residential units, storage units, car parking spaces and commercial units with a total gross floor area of approximately 302.59 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB4,009,030. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Qinhuangdao Jiajun holds the real estate property rights corresponding to serial numbers 1 to 3 under the "Qinhuangdao Development Zone Real Estate Registration Information Query Result Notification".
4. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
5. For the purpose of this report, the property is classified into the group as "Group I-Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

29.	Dexian Yufu, located at west of Hengshan Road and north of Huaihe Road, Development Zone, Qinhuangdao City, Hebei Province, The PRC	Desong Yufu is a residential development located at the west of Hengshan Road and north of Huaihe Road, Development Zone, Qinhuangdao City.	As at the valuation date, the CIP of the property was under construction and the completed portion was vacant for sale.	86,400,000

(秦皇島德賢御府)

The property comprises two portions. The first portion was the unsold portion completed in 2024. The second portion was still under construction (“CIP”) as at the valuation date. As advised by the Group, upon completion, the CIP will have a total gross floor area of approximately 7,360.56 sq.m.. The details of the CIP are set out as follows:

Usage	Gross Floor Area (sq.m.)
Residential	5,342.76
Car parking spaces	<u>2,017.80</u>
Sub-total:	<u><u>7,360.56</u></u>

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	The property is scheduled to be completed in 31 December 2026. The construction cost of the property is estimated to be approximately RMB55,912,600, of which approximately RMB8,340,000 had been paid up to the Valuation Date.		
	The land use rights of the property have been granted to the Company for a term expiring on 28 June 2092 for residential use.		

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract–Kai Zheng Chu (2022) No. 10 dated 16 June 2022, the land use rights of a parcel of land with a site area of approximately 13,642.44 sq.m. were contracted to be granted to Qinhuangdao Jiajun for a term of 70 years for residential use commencing from the land delivery date. The total land premium was RMB83,901,006.
2. Pursuant to a Real Estate Title Certificate – Ji (2022) Qin Kai Bu Dong Chan Quan Di No. 0001859, the land use rights of a parcel of land with a site area of approximately 13,642.44 sq.m. have been granted to Qinhuangdao Jiajun for a term expiring on 28 June 2092 for residential use.
3. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 130371202273030 in favour of Qinhuangdao Jiajun, Desong Yufu which have a total gross floor area of approximately 27,015.97 sq.m. has been approved for construction.
4. Pursuant to a Construction Work Commencement Permit – No.130305202302140101 in favour of Qinhuangdao Jiajun, permissions by the relevant local authority have been given to commence the construction of Desong Yufu with a total gross floor area of approximately 27,015.97 sq.m..
5. Pursuant to 2 Pre-sales Permits – (Qin Kai Fang) Yu Shou Zi (2023) Di Nos. 001 and 006 in favour of Qinhuangdao Jiajun, Qinhuangdao Jiajun is entitled to sell various residential units with a total gross floor area of approximately 13,166.14 sq.m..

6. Pursuant to a Construction Work Completion and Inspection Certificate No. 2024J1303050060, in favour of Qinhuangdao Jiajun, the construction of the various buildings of Desong Yufu has been completed and passed the acceptance inspection.
7. As advised by the company, various residential units with a total gross floor area of approximately 847.56 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB13,665,600. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
8. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- a. Qinhuangdao Jiajun has obtained the land use rights of the aforementioned property.
 - b. Qinhuangdao Jiajun has obtained the relevant construction project planning permit, construction permit, Pre-sales Permit and Construction Work Completion and Inspection Certificate.
9. A summary of major certificates/approvals is shown as follows:
- a. State-owned Construction Land Use Rights Grant Contract Yes
 - b. Real Estate Title Certificate (for land) Yes
 - c. Construction Work Planning Permit Yes
 - d. Construction Work Commencement Permit Yes
 - e. Pre-sale Permit Portion
 - f. Construction Work Completion and Inspection Certificate/Table Portion
10. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	54,000,000
Group III- Properties held under development in the PRC	32,400,000
Total	<u>86,400,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
30. A parcel of land located at the south of Western Expressway, west side of the planned Fayun Temple West Road, Haigang District, Qinhuangdao City, Hebei Province, The PRC (秦皇島德賢新城項目 (南大寺))	The property comprises a parcel of land with a site area of approximately 213,391.02 sq.m.. The land use rights of the property have been granted for a term expiring on 15 January 2083 for residential use.	The property was vacant for future development as at the valuation date.	862,700,000

Notes:

1. Pursuant to a State-owned Land Use Rights Certificate – Qin Ji Guo Yong (2013) Di Hai No. 30, a parcel of land with a site area of approximately 213,391.02 sq.m. have been granted to Qinhuangdao Fanhua Real Estate Development Co., Ltd. (“**Qinhuangdao Fanhua**”) for a term expiring on 15 January 2083 for residential use.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Qinhuangdao Fanhua holds the real estate property rights corresponding to serial numbers 1 to 2 under the “Real Estate Registration Information Query Result Certificate”.
3. A summary of major certificates/approvals is shown as follows:
 - a. State-owned Land Use Rights Certificate Yes
4. For the purpose of this report, the property is classified into the group as “Group IV-Properties held for future development in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>										
31.	Dexian Xincheng, located at south side of the western expressway, Haigang District, Qinhuangdao City, Hebei Province, The PRC	Dexian Xincheng is a residential development located at the south side of the western expressway, Haigang District, Qinhuangdao City.	As at the valuation date, Phase I of Dexian Xincheng was under Construction, Phase II of Dexian Xincheng was in suspension.	2,234,500,000										
	(秦皇島海港區2022-12西快路地塊－德賢新城)	The development comprises 2 phases. Phase I of Dexian Xincheng occupies a parcel of land with a site area of approximately 43,007.57 sq.m., as advised by the Company, upon completion, Phase I of Dexian Xincheng will have a total gross floor area of approximately 86,377.00 sq.m.. The details are set out as follows:												
		<table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Residential</td><td>62,346.00</td></tr><tr><td>Car parking spaces</td><td>21,246.00</td></tr><tr><td>Ancillary</td><td>2,785.00</td></tr><tr><td>Sub-total:</td><td>86,377.00</td></tr></table>	Usage	Gross Floor Area (sq.m.)	Residential	62,346.00	Car parking spaces	21,246.00	Ancillary	2,785.00	Sub-total:	86,377.00		
Usage	Gross Floor Area (sq.m.)													
Residential	62,346.00													
Car parking spaces	21,246.00													
Ancillary	2,785.00													
Sub-total:	86,377.00													

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	Phase I of Dexian Xincheng was under construction as at the valuation date, and it is scheduled to be completed in 31 December 2026. The construction cost of Phase I of Dexian Xincheng is estimated to be approximately RMB447,831,000, of which approximately RMB307,241,000 had been paid up to the Valuation Date.		
	The land use rights of Phase I of Dexian Xincheng have been granted for a term expiring on 19 April 2093 for residential use.		

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

Phase II of Dexian Xincheng occupies a parcel of land with a site area of approximately 186,515.25 sq.m., as advised by the Company, upon completion, Phase II of Dexian Xincheng will have a total gross floor area of approximately 252,912.00 sq.m.. The details are set out as follows:

Usage	Gross Floor Area (sq.m.)
Residential	164,309.00
Storage	24,422.00
Commercial	1,534.00
Car parking	
spaces	24,739.05
Ancillary	53,509.00
Sub-total:	<u>252,912.00</u>

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	Phase II of Dexian Xincheng was in suspension as at the valuation date. The construction cost of Phase II of Dexian Xincheng is estimated to be approximately RMB781,936,000, of which approximately RMB175,780,000 had been paid up to the Valuation Date.		
	The land use rights of Phase II of Dexian Xincheng have been granted for a term expiring on 15 January 2083 for residential use.		

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract – Hai Zheng Chu (2023) No. 07 dated 29 March 2023 and a supplemental contract – Qin Hai Zheng Chu Geng (2023) No. 9, the land use rights of a parcel of land with a site area of approximately 43,007.57 sq.m. were contracted to be granted to Qinhuangdao Yunding Real Estate Development Co., Ltd. (“**Qinhuangdao Yunding**”) for a term of 70 years for residential use commencing from the land delivery date. The total land premium was RMB348,361,317.
2. Pursuant to a Real Estate Title Certificate – Ji (2023) Qin Huang Dao Shi Bu Dong Chan Quan Di No. 0185727, the land use rights of Phase I of Dexian Xincheng with a site area of approximately 43,007.57 sq.m. have been granted to Qinhuangdao Yunding for a term expiring on 19 April 2093 for residential use.
3. Pursuant to a State-owned Land Use Rights Certificate – Qin Ji Guo Yong (2013) Di Hai No. 131, the land use rights of Phase II of Dexian Xincheng with a site area of approximately 186,515.25 sq.m. have been granted to Qinhuangdao Yunding for a term expiring on 15 January 2083 for residential use.
4. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 1303022023GG0021329 in favour of Qinhuangdao Yunding, Phase I of Dexian Xincheng which have a total gross floor area of approximately 86,377.00 sq.m. has been approved for construction.

5. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 1303022023GG0032355 in favour of Qinhuangdao Yunding, Phase II of Dexian Xincheng which have a total gross floor area of approximately 252,912.00 sq.m. has been approved for construction.
6. Pursuant to a Construction Work Commencement Permit – No. 130301202311100101 in favour of Qinhuangdao Yunding, permissions by the relevant local authority have been given to commence the construction of Phase I of Dexian Xincheng with a total gross floor area of approximately 86,377.00 sq.m..
7. Pursuant to a Construction Work Commencement Permit – No. 13030202312280101 in favour of Qinhuangdao Yunding, permissions by the relevant local authority have been given to commence the construction of Phase II of Dexian Xincheng with a total gross floor area of approximately 116,875.68 sq.m..
8. Pursuant to 3 Pre-sales Permits – (Qin Hai Fang) Yu Shou Zi (2023) Di No. 041, (Qin Hai Fang) Yu Shou Zi (2024) Di No. 007 and (Qin Hai Fang) Yu Shou Zi (2025) Di No. 007, in favour of Qinhuangdao Yunding, Qinhuangdao Yunding is entitled to sell various residential units with a total gross floor area of approximately 38,078.20 sq.m..
9. As advised by the company, various residential units and car parking spaces with a total gross floor area of approximately 29,470.97 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB457,106,913. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
10. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Qinhuangdao Yunding holds the real estate property rights corresponding to serial numbers 1 to 2 under the "Real Estate Registration Information Query Result Certificate".
 - b. Qinhuangdao Yunding has obtained the relevant construction project planning permit, and construction permit.
11. A summary of major certificates/approvals is shown as follows:

a. State-owned Construction Land Use Rights Grant Contract	Portion
b. Real Estate Title Certificate (for land)	Yes
c. Construction Work Planning Permit	Yes
d. Construction Work Commencement Permit	Portion
e. Pre-sale Permit	Portion
f. Construction Work Completion and Inspection Certificate/Table	No
12. For the purpose of this report, the property is classified into the group as "Group III-Properties held under development in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
32. A parcel of land located at Western Expressway, Haigang District, Qinhuangdao City, Hebei Province, The PRC (秦皇島市西快路88畝地塊)	The property comprises a parcel of land with a site area of approximately 59,100.90 sq.m.. The land use rights of the property have been granted for a term expiring on 25 January 2094 for residential use.	The property was vacant for future development as at the valuation date.	479,400,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract – Hai Zheng Chu (2023) No. 14 dated 27 October 2023, the land use rights of a parcel of land with a site area of approximately 59,100.90 sq.m. were contracted to be granted to Qinhuangdao Fanhua for a term of 70 years for residential use commencing from the land delivery date. The total land premium was RMB478,953,694.
2. Pursuant to a Real Estate Title Certificate – Ji (2024) Qin Huang Dao Shi Bu Dong Chan Quan Di No. 0216121, a parcel of land with a site area of approximately 59,100.90 sq.m. have been granted to Qinhuangdao Fanhua for a term expiring on 25 January 2094 for residential use.
3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Qinhuangdao Fanhua holds the real estate property rights corresponding to serial numbers 1 to 2 under the "Real Estate Registration Information Query Result Certificate".
4. A summary of major certificates/approvals is shown as follows:

a. State-owned Construction Land Use Rights Grant Contract	Yes
b. Real Estate Title Certificate (for land)	Yes
5. For the purpose of this report, the property is classified into the group as "Group IV-Properties held for future development in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
33. Xinglong New City Hongshijun located at Nantumen Village and Hongshila Village, Xinglong Town, Xinglong County, Chengde City, Hebei Province, The PRC (興隆新城紅石郡)	The Xinglong New City Hongshijun is located in Nantumen Village and Hongshila Village, Xinglong Town, Xinglong County. It is a large-scale, phased development featuring residential, commercial, community support facilities, etc. The residential buildings have been completed and delivered in the early stage, while the overall supporting infrastructure and community amenities require further construction. The project involves 12 parcels of land, with a total area of approximately 739,059.37 sq.m..	As at the Valuation Date, the completed portion was vacant for sale, the CIP portion was in suspension and the land portion was bare land for future development.	2,715,700,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

As as the Valuation Date, portions of the property was completed with a total gross floor area of 124,609.95 sq.m.including small high-rise buildings and their parking spaces, villas and their parking spaces, and storage rooms.

Portions of the property were under construction (the “CIP”) as at the Valuation Date. As advised by the Group, upon completion, the CIP was designed with a gross floor area of approximately 229,649.97 sq.m.. The CIP was in suspension.

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	The construction cost of the CIP of the property is estimated to be approximately RMB2,506,500,000, of which approximately RMB2,192,400,000 had been paid up to the Valuation Date.		
	Portions of the property were bare land held for future development. The land use rights covering a total site area of approximately 376,044.69 sq.m.. As advised by the Group, the construction of the project was not commenced as at the Valuation Date.		

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

The classification, usage and gross floor area details of the property are set out in note 8.

The land use rights of the property have been grant for terms expiring on 9 December 2087, 25 March 2090, and 26 November 2090 for residential use, 9 December 2057, 25 March 2060, and 26 November 2060 for commercial use.

Notes:

- Pursuant to a State-owned Construction Land Use Rights Grant Contract–2019-62 dated 27 November 2020, the land use rights of a parcel of land with a site area of approximately 15,062.12 sq.m. were contracted to be granted to Chengde MCC Minglong Real Estate Development Co., Ltd (承德中冶名隆房地產開發有限公司, “MCC Minglong”). The granted rights comprise a term of 70 years for the residential portion and 40 years for the commercial portion, both commencing from the land delivery date. The total land premium was RMB43,930,000.
- Pursuant to a total of 12 Real Estate Title Certificates, including Yi (2019) Xing Long Xian Di No. 0001438 etc., the land use rights covering a total area of approximately 679,684.56 sq.m. have been granted to MCC Minglong. The relevant land use rights have been granted for terms expiring on 9 December 2087, 25 March 2090 and 26 November 2090 for residential use, while the commercial land use rights expire on 9 December 2057, 25 March 2060 and 26 November 2060, respectively. The land area of 59,374.81 sq.m. has not yet been registered for the land use right certificate due to the non-clean land status of the transferred land.
- Pursuant to 22 Construction Land Planning Permits – Nos. Di Zi No. 130822201700025 to 130822201700037 and Di Zi No. 130822202100008, permission towards the planning of the aforesaid land has been granted to MCC Minglong, the land use rights covering a total area of approximately 804,409.59 sq.m..
- Pursuant to 2 Construction Work Planning Permits – Jian Zi Di Nos. 130822201800032 and 130822201900033 in favour of MCC Minglong, Xinglong New City Hongshijun which have a total gross floor area of approximately 229,649.97 sq.m. has been approved for construction.
- Pursuant to 3 Construction Work Commencement Permits – Nos. 130822201902250201, 130822201902250101, and 130822201909233801 in favour of MCC Minglong, permissions by the relevant local authority have been given to commence the construction of Xinglong New City Hongshijun with a total gross floor area of approximately 229,649.97 sq.m..
- Pursuant to 20 Pre-sales Permits – (Xing)Fang Yu Shou Zheng Di Nos. 2018009, 2018002, 2019012, 2018011, 2018022, 2018006, 2018008, 2019020, 2021012, 2018014, 2018016, 2019018, 2018015, 2018017, 2020019, 2020024, 2019003, 2019014, 2021002, and 2020004 in favour of MCC Minglong, MCC Minglong is entitled to sell 3,668 residential units and 45 commercial units with a total gross floor area of approximately 343,369.47 sq.m..
- Pursuant to a total of 19 Real Estate Title Certificates, including Yi (2024) Xing Long Xian Di No. 0002894 etc., properties with a total gross floor area of approximately 115,248.29 sq.m. have been granted to MCC Minglong. The relevant land use rights have been granted for terms expiring on 9 December 2057 for commercial use and on 9 December 2028 for residential use. We were unable to obtain the remaining completed portion of 9,361.66 sq.m. property ownership certificates.
- According to the information provided by Xinglong New City Hongshijun, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	Site Area (sq.m.)	No. of Car Parking Space
Group I-Held completed	Residential Storage Carpark Sub-total:	116,170.35 8,439.6 124,609.95		2,211
Group III-Held under development	Residential Sub-total:	229,649.97 229,649.97		
Group IV-Held for future development	Commercial Residential Sub-total:		48,670.53 267,999.35 316,669.88	
Group VI-Contracted to be acquired	Residential Sub-total:		59,374.81 59,374.81	
	Total	354,259.92	376,044.69	2,211

9. As advised by the company, various residential units with a total gross floor area of approximately 5,484.88 sq.m. of the property have been pre-sold to various third parties. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
10. We have been provided with a legal opinion regarding the property interest by MCC Minglong's PRC legal advisers, which contains, inter alia, the following:
- a. MCC Minglong holds the real estate property rights corresponding to items 1 to 843 under the "Real Estate Query Result Certificate".
11. A summary of major certificates/approvals is shown as follows:
- | | | |
|----|---|---------|
| a. | State-owned Construction Land Use Rights Grant Contract | Yes |
| b. | Real Estate Title Certificate (for land) | Portion |
| c. | Construction Land Planning Permits | Yes |
| d. | Construction Work Planning Permit | Yes |
| e. | Construction Work Commencement Permit | Yes |
| f. | Pre-sale Permit | Portion |
| g. | Construction Work Completion and Inspection Certificate/Table | Portion |
| h. | Real Estate Title Certificates | Portion |
12. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the Valuation Date in its existing state is set out as below:

Group	Market value in existing state as at the Valuation Date RMB
Group I-Completed Properties held for sale in the PRC	963,700,000
Group III-Properties held under development in the PRC	588,600,000
Group IV-Properties held for future development in the PRC	951,700,000
Group VI -Properties Contracted to be acquired by the Group in the PRC	211,700,000
Total	2,715,700,000

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
34.	Changcheng Shili Chunfeng Zhen located at Erdaohe Village, Liudaohe Town, Xinglong County, Chengde City, Hebei Province, The PRC (长城十里春风镇)	Changcheng Shili Chunfeng Zhen is located at Erdaohe Village, Liudaohe Town, Xinglong County. The project is a large-scale, phased development community, comprising commercial spaces, homestays, residential buildings, and supporting facilities. The project involves 11 parcels of land, with a total area of approximately 380,866.69 sq.m.. As of the Valuation Date, the completed portion of the property included courtyard houses, row houses, detached houses, and villas. The gross floor area was 18,843.49 sq.m..	As at the Valuation Date, the completed portion was vacant for sale, the CIP portion was in suspension and the land portion was bare land for future development.	665,300,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	Portions of the property were still under construction (the “CIP”) as at the Valuation Date. As advised by the Group, upon completion, the CIP was designed with a gross floor area of approximately 62,793.91 sq.m.; The CIP was in a suspended state, and the resumption time was unknown. The construction cost of the CIP of the property was estimated to be approximately RMB672,400,000, of which approximately RMB385,100,000 had been paid up to the Valuation Date.		
	The remaining portions of the property were bare land held for future development with a total site area of approximately 211,131.6 sq.m.. As advised by the Group, the construction of the project was not commenced as at the Valuation Date.		
	The classification, usage and gross floor area details of the property are set out in note 8.		

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB

The land use rights of the property have been granted for terms expiring on 3 April 2058, and 24 July 2061 for commercial use.

Notes:

1. Pursuant to 3 State-owned Construction Land Use Rights Grant Contracts – 2021-7, 2021-8 and 2021-9 dated 25 July 2021, the land use rights of a parcel of land with a total site area of approximately 82,806.66 sq.m. were contracted to be granted to China Metallurgical Mingde (Xinglong) Cultural Tourism Development Co., Ltd. (中冶名德(兴隆)文化旅游发展有限公司, (“**MCC Mingde**”) for a term of 40 years for commercial use commencing from the land delivery date. The total land premium was RMB165,460,000.
2. Pursuant to 11 Real Estate Title Certificates – Yi (2018) Xing Long Xian Di No. 0001684 to 0001691, Yi (2022) Xing Long Xian Di No. 0001560 to 0001562, the land use rights covering a total area of approximately 380,866.69 sq.m., has been granted to MCC Mingde. The granted terms expire on 3 April 2058 and 24 July 2061 respectively for commercial use.
3. Pursuant to 3 Construction Land Planning Permits – Di Zi Nos. 130822201800004, 130822201800006 and 130822201800003 permission towards the planning of the aforesaid land parcel with a total site area of approximately 169,735.09 sq.m. has been granted to MCC Mingde. The remaining portion of land have not obtained the Construction Land Planning Permits.
4. Pursuant to 4 Construction Work Planning Permits – Jian Zi Di Nos. 130822202100011, 130822201800019, 1308222020000026, and 130822202000035 in favour of MCC Mingde, Changcheng Shili Chunfeng Zhen which have a total gross floor area of approximately 62,793.91 sq.m. has been approved for construction.
5. Pursuant to 4 Construction Work Commencement Permits – Nos. 130822201808063801, 130822202012220101, 130822202009170201, and 130822202106300101 in favour of MCC Mingde, permissions by the relevant local authority have been given to commence the construction of Changcheng Shili Chunfeng Zhen with a total gross floor area of approximately 62,793.91 sq.m..
6. Pursuant to 4 Pre-sales Permits – (Xing)Fang Yu Shou Zheng Di Nos. 2021005, 2020009, 2021010, and 2022005 in favour of MCC Mingde, Mingde is entitled to sell 375 suites with a total gross floor area of approximately 43,813.37 sq.m..
7. Pursuant to 134 Real Estate Title Certificates – Nos. Yi (2025) Xing Long Xian Di No. 0003891 to 0005521, properties with a total gross floor area of approximately 33,899.27 sq.m. (including the property) has been granted to MCC Mingde. The granted terms expire on 3 April 2058 for commercial use.

8. According to the information provided by Changcheng Shili Chunfeng Zhen, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	Site Area (sq.m.)
Group I-Held completed	Commercial	18,843.49	
	Sub-total:	18,843.49	
Group III-Held under development	Commercial	62,793.91	
	Sub-total:	62,793.91	
Group IV-Held for future development	Commercial		211,131.6
	Sub-total:		211,131.6
	Total	81,637.4	211,131.6

9. As advised by the group, various residential units with a total gross floor area of approximately 2,803.85 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB42,416,423.85. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.

10. We have been provided with a legal opinion regarding the property interest by MCC Mingde's PRC legal advisers, which contains, inter alia, the following:

- a. MCC Mingde holds the real estate property rights corresponding to properties numbered 1 to 267 under the "Real Estate Query Result Certificate".

11. A summary of major certificates/approvals is shown as follows:

a.	Sate-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permits	Portion
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Real Estate Title Certificates	Yes

12. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the Valuation Date in its existing state is set out as below:

Group	Market value in existing state as at the Valuation Date RMB
Group I-Completed Properties held for sale in the PRC	267,000,000
Group III-Properties held under development in the PRC	139,400,000
Group IV-Properties held for future development in the PRC	258,900,000
Total	665,300,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
35. Anxin Jiayuan located at Luanping County, Chengde City, Hebei Province, The PRC (灤平安馨家園)	Anxin Jiayuan is a residential development situated in Luanping County, Chengde City, Hebei Province. The property is a completed project comprising the unsold portion with a total gross floor area of approximately 4,929 sq.m of residential space, 2,416 sq.m of retail spaces, 3,082 sq.m of storage space and 498 car parking spaces. The land use rights of the property have been granted for terms expiring on 27 July 2087 for residential use and 27 July 2057 for retail use.	As at the valuation date, the property was vacant for sale.	24,100,000

Notes:

1. Pursuant to 68 Real Estate Title Certificates, including Ji (2024) LuanPing County Bu Dong Chan Quan Di No. 0004349 etc., the property with a total gross floor area of approximately 7,345 sq.m. is owned by Luanping MCC Mingyu Real Estate Development Co., Ltd. (灤平中冶名寓房地產開發有限公司, “MCC Mingyu”) The relevant land use rights have been granted to MCC Mingyu for a term expiring on 27 July 2087 for residential use and 27 July 2057 for retail use.
2. As advised by the group, seven units in Anxin Jiayuan have been contracted for sale but the formal assignment procedures have not yet been finalized, and as a result, we were unable to obtain the property ownership certificates for these units.
3. As advised by the company, various residential units with a total gross floor area of approximately 702 sq.m. and 1 car parking spaces have been pre-sold to various third parties at a total consideration of RMB2,933,523.98. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
4. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Based on the Real Estate Certificates numbered Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005593–0005608, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0011374, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004349, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004352–0004355, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004359, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004393, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004579, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004584–0004585, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004590, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004648–0004649, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004722–0004723, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004653–0004663, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004666, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004670, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004726–0004731, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004734–0004735, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004794–0004795, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004799, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004894–0004896, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005076–0005077, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005038, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005041–0005042, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005296, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005299–0005300, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005335, Ji (2025) Luanping Xian Bu Dong Chan Quan No. 0002975–0002996, and Ji (2025) Luanping Xian Bu Dong Chan Quan No. 0002999–0003046, provided by MCC Mingyu, Luanping MCC Mingyu holds the real estate property rights for the properties corresponding to the aforementioned Real Estate Certificates.
5. As at the valuation date, the storage and car park portion of the property had not been assigned to MCC Mingyu and thus the title of these properties had not been vested in MCC Mingyu. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB13,500,000 assuming the relevant title certificates have been obtained by MCC Mingyu and MCC Mingyu is entitled to freely transfer the property.
6. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
7. For the purpose of this report, the property is classified into the group as “Group I–Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
36. Guanhu Phase 1 located at Luanping County, Chengde City, Hebei Province, The PRC (灤平觀湖一期)	Guanhu Phase 1 is a residential development situated in Luanping County, Chengde City, Hebei Province. The property is a completed project comprising the unsold portion with a total gross floor area of approximately 60,303.06 sq.m of residential space, 4,846.06 sq.m of retail spaces, 8,219.4 sq.m of storage space and 623 car parking spaces. The land use rights of the property have been granted for terms expiring on 8 May 2088 for residential use and 8 May 2058 for retail use.	As at the valuation date, the property was vacant for sale.	163,800,000

Notes:

1. Pursuant to 665 Real Estate Title Certificates, including Ji (2025) LuanPing County Bu Dong Chan Quan Di No. 0002999 etc., the property with a total gross floor area of approximately 65,149.12 sq.m. is owned by Luanping MCC Mingyu Real Estate Development Co., Ltd. (灤平中冶名寓房地產開發有限公司, “**MCC Mingyu**”). The relevant land use rights have been granted to MCC Mingyu for a term expiring on 8 May 2088 for residential use and 8 May 2088 for retail use.
2. As advised by the company, 1 residential unit with a gross floor area of approximately 85.24 sq.m. has been pre-sold to a third party at a consideration of RMB430,110.09. Such portion of the property has not been legally and actually transferred and therefore we have included them in our valuation.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
4. Based on the Real Estate Certificates numbered Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005593–0005608, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0011374, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004349, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004352–0004355, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004359, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004393, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004579, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004584–0004585, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004590, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004648–0004649, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004722–0004723, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004653–0004663, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004666, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004670, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004726–0004731, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004734–0004735, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004794–0004795, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004799, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0004894–0004896, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005076–0005077, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005038, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005041–0005042, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005296, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005299–0005300, Ji (2024) Luanping Xian Bu Dong Chan Quan No. 0005335, Ji (2025) Luanping Xian Bu Dong Chan Quan No. 0002975–0002996, and Ji (2025) Luanping Xian Bu Dong Chan Quan No. 0002999–0003046, provided by MCC Mingyu, Luanping MCC Mingyu holds the real estate property rights for the properties corresponding to the aforementioned Real Estate Certificates.
5. As at the valuation date, the storage and car park portion of the property had not been assigned to MCC Mingyu and thus the title of these properties had not been vested in MCC Mingyu. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RM13,700,000 assuming the relevant title certificates have been obtained by MCC Mingyu and MCC Mingyu is entitled to freely transfer the property.
6. A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate	Yes
7. For the purpose of this report, the property is classified into the group as “Group I–Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>												
37.	Sanhe Yanjiao Headquarters Base, located at the south of Jingu Street and west of Northwest East Road, Yanjiao Town, Sanhe City, Hebei Province, The PRC (三河燕郊總部基地)	Sanhe Yanjiao Headquarters Base is situated to the south of Jingu Street and west of Northwest East Road. The development comprises 2 phases, South Zone and North Zone. South Zone of Sanhe Yanjiao Headquarters Base (“ South Zone ”) occupies a parcel of land with a site area of approximately 81,608.00 sq.m., as advised by the Company, upon completion, South Zone will have a total gross floor area of approximately 215,278.00 sq.m.. The details are set out as follows:	As at the valuation date, South Zone was under construction, North Zone was in suspension.	1,024,300,000												
		<table><thead><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr></thead><tbody><tr><td>Commercial Office</td><td>6,285.32</td></tr><tr><td>Car parking spaces</td><td>169,070.18</td></tr><tr><td>Ancillary</td><td>39,469.03</td></tr><tr><td></td><td>453.47</td></tr><tr><td>Sub-total:</td><td>215,278.00</td></tr></tbody></table>	Usage	Gross Floor Area (sq.m.)	Commercial Office	6,285.32	Car parking spaces	169,070.18	Ancillary	39,469.03		453.47	Sub-total:	215,278.00		
Usage	Gross Floor Area (sq.m.)															
Commercial Office	6,285.32															
Car parking spaces	169,070.18															
Ancillary	39,469.03															
	453.47															
Sub-total:	215,278.00															

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

South Zone was under construction as at the valuation date, and it is scheduled to be completed in 31 December 2025. The construction cost of South Zone is estimated to be approximately RMB903,473,000, of which approximately RMB841,249,000 had been paid up to the Valuation Date.

North Zone of Sanhe Yanjiao Headquarters Base (“**North Zone**”) occupies a parcel of land with a site area of approximately 64,868.00 sq.m., as advised by the Company, upon completion, North Zone will have a total gross floor area of approximately 166,969.00 sq.m.. The details are set out as follows:

Usage	Gross Floor Area (sq.m.)
Office	133,821.96
Car parking spaces	32,896.67
Ancillary	250.37
Sub-total:	<u>166,969.00</u>

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
	North Zone was in suspension as at the valuation date. The construction cost of North Zone is estimated to be approximately RMB685,139,000, of which approximately RMB382,027,000 had been paid up to the Valuation Date.		
	The land use rights of the property have been granted for a term expiring on 19 May 2059 for Commercial and Financial use.		

Notes:

1. Pursuant to 2 Real Estate Title Certificates – Ji (2019) San He Shi Bu Dong Chan Quan Di Nos. 0014769 and 0014771, the land use rights of the property with a total site area of approximately 146,476.00 sq.m. have been granted to Sanhe MCC Mingfeng Real Estate Development Co., Ltd (“MCC Mingfeng”) for a term expiring on 19 May 2059 for Commercial and Financial use.
2. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 131082220SH28 in favour of MCC Mingfeng, South Zone which have a total gross floor area of approximately 215,278.00 sq.m. has been approved for construction.
3. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 131082220SH27 in favour of MCC Mingfeng, South Zone which have a total gross floor area of approximately 166,969.00 sq.m. has been approved for construction.
4. Pursuant to a Construction Work Commencement Permit – No. 1310822020095101 in favour of MCC Mingfeng, permissions by the relevant local authority have been given to commence the construction of South Zone with a total gross floor area of approximately 215,278.00 sq.m..
5. Pursuant to a Construction Work Commencement Permit – No. 131082202008125101 in favour of MCC Mingfeng, permissions by the relevant local authority have been given to commence the construction of North Zone with a total gross floor area of approximately 166,969.00 sq.m..

6. Pursuant to 4 Pre-sales Permits – (San Shen Pi) Fang Yu Shou Di Nos. 2021008, 2021011, 2022009 and 2024003, in favour of MCC Mingfeng, MCC Mingfeng is entitled to sell various office units with a total gross floor area of approximately 92,359.62 sq.m..
7. As advised by the company, various residential units and car parking spaces with a total gross floor area of approximately 19,799.96 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB222,534,069.00. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
8. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Mingfeng has obtained the land use rights of the aforementioned property.
9. A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate (for land)	Yes
b. Construction Work Planning Permit	Yes
c. Construction Work Commencement Permit	Yes
d. Pre-sale Permit	Portion
e. Construction Work Completion and Inspection Certificate/Table	No
10. For the purpose of this report, the property is classified into the group as "Group III-Properties held under development in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
38. A parcel of land located at the east side of Daxiang Line, south side of Heyuan Road, Xianghe County, Langfang City, Hebei Province, The PRC (香河德賢匯項目)	The property comprises a parcel of land with a site area of approximately 46,261.55 sq.m.. The land use rights of the property have been granted for a term expiring on 19 December 2058 for other commercial service use.	The property was vacant for future development as at the valuation date.	101,800,000

Notes:

1. Pursuant to a Real Estate Title Certificate – Ji (2021) Xiang He Xian Bu Dong Chan Quan Di No. 0002885, a parcel of land with a site area of approximately 46,261.55 sq.m. have been granted to Xianghe MCC Mingxin Real Estate Co., Ltd (“**Xianghe MCC Mingxin**”) for a term expiring on 19 December 2058 for other commercial service use.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Xianghe MCC Mingxin holds the real estate property rights under the “Real Estate Ownership Status Table”.
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate (for Land) Yes
4. For the purpose of this report, the property is classified into the group as “Group IV-Properties held for future development in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
39. A parcel of land, 9 buildings located at the west of Hexiang Road, north of Wei'er Road, Xianghe County, Langfang City, Hebei Province, The PRC	The property comprises 3 parcels of land with a total site area of approximately 93,426.97 sq.m., and 9 buildings erected thereon which were completed between 2010 and 2012.	The property is occupied by the Group for production and ancillary purposes.	39,500,000
(河北省廊坊市香河縣 有產權資產)	The 9 buildings have a total gross floor area of approximately 30,073.60 sq.m., mainly include office buildings, workshops and a canteen.	The land use rights of the property have been granted for terms expiring on 5 September 2059, 21 February 2060 and 29 December 2068 for industry use.	

Notes:

1. Pursuant to 2 State-owned Land Use Rights Certificate, a Real Estate Title Certificate and 2 Land Banking Agreement for State-owned Land-use Rights, 3 parcel of land with a total site area of approximately 93,426.97 sq.m. have been granted to MCC Engineering Materials Co., Ltd (中冶工程材料有限公司, “**MCC Engineering Materials**”) for terms expiring on 5 September 2059, 21 February 2060 and 29 December 2068 for industry use.
2. For the 9 buildings with a total gross floor area of approximately 30,073.60 sq.m., we have not been provided with any title certificates.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Engineering Materials holds the real estate property rights under the “Real Estate Ownership Status Table”.
4. As at the valuation date, the buildings of the property had not been assigned to MCC Engineering Materials and thus the title of the buildings of the property had not been vested in MCC Engineering Materials. Therefore, we have attributed no commercial value to the buildings of the property. However, for reference purpose, we are of the opinion that the market value of the buildings of the property as at the valuation date would be RMB60,477,000 assuming the relevant title certificates have been obtained by MCC Engineering Materials and MCC Engineering Materials is entitled to freely transfer the property.
5. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate (for land) Yes
6. For the purpose of this report, the property is classified into the group as “Group V-Properties held for owner-occupation in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
40. MCC Mingyuan Project and MCC Mingcheng Project located between Huatian Road to the north and Shiyan Road to the south in Zhuozhou, Hebei Province. The PRC	MCC Mingyuan Project and MCC Mingcheng Project are located between Huatian Road to the north and Shiyan Road to the south in Zhuozhou, Hebei Province. The property comprises two portions. The first portion consists of the completed unsold portions of MCC Mingyuan project and Phase 1 of MCC Mingcheng project. The second portion consists of the remaining portions of MCC Mingcheng project which are still under construction (“CIP”). As advised by the Group, upon completion, the CIP will have a total gross floor area of approximately 190,810.87 sq.m. The CIP is scheduled to be completed in December 2027. The classification, usage and gross floor area details of the property are set out in note 10.	As at the valuation date, the CIP of the property was under construction and the completed portion was vacant for sale.	840,200,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

The construction cost of the CIP of the property is estimated to be approximately RMB583,700,000, of which approximately RMB265,300,000 had been paid up to the Valuation Date.

The land use rights of the property have been granted to the Zhuozhou MCCMingcheng Real Estate Development Co., Ltd, with the residential term for MCC Mingyuan project expiring on 30 November 2090, and the residential term for MCC Mingcheng project expiring on 9 December 2090.

Notes:

1. Pursuant to 2 State-owned Construction Land Use Rights Grant Contracts – C13068120200022 and C13068120200023 dated 5 November 2020, the land use rights of a parcel of land with a total site area of approximately 106,889.92 sq.m. were contracted to be granted to Zhuozhou MCC Mingcheng Real Estate Development Co., Ltd (涿州市中冶名誠房地產開發有限公司, “**MCC Mingcheng**”) for a term of 70 years for residential use commencing from the land delivery date. The total land premium was RMB481,004,700.
2. Pursuant to Real Estate Title Certificates(Land) – Ji (2022) ZhuoZhou Shi Bu Dong Chang Quan Di No.0001807, the land use rights of a parcels of land, with a site area of approximately 106,889.92 sq.m. have been granted to MCC Mingcheng, with granted terms expiring on 9 December 2090.
3. Pursuant to Construction Land Planning Permits – Di Zi No.130681202100025, permission towards the planning of the aforesaid land parcels with a total site area of approximately 106,889.92 sq.m. has been granted to MCC Mingcheng.
4. Pursuant to Construction Work Planning Permits – Jian Zi Di No.130681202200015 in favour of MCC Mingcheng, MCC Mingcheng project have planned gross floor area of approximately 299,312.11 sq.m. (including the property) approved for construction.
5. Pursuant to 4 Construction Work Commencement Permits – Nos.130681202105110101, 130681202107290101, 130681202204290101 and 130681202203310101 in favour of MCC Mingcheng, permissions by the relevant local authority have been given to commence the construction of MCC Mingcheng project with a total gross floor area of approximately 299,312.11sq.m. (including the property).
6. Pursuant to 5 Pre-sales Permits – Zhuo Fang Yu Shou Zheng Di Nos. 2023019, 2023018, 2023006, 2022004 and 2022006 in favour of MCC Mingcheng, MCC Mingcheng is entitled to sell 13 buildings with a total gross floor area of approximately 103,467.03 sq.m..
7. Pursuant to two Construction Work Completion and Inspection Reports in favour of MCC Mingcheng, the construction of the Completed Portion of MCC Mingcheng with a total gross floor area of approximately 108,501.24 sq.m. (including the property) has been completed and passed the acceptance inspection.
8. Pursuant to a Construction Work Completion and Inspection Reports in favour of MCC Mingcheng, MCC Mingyuan Project with a total gross floor area of approximately 216,844 sq.m. (including the property) has been completed and passed the acceptance inspection.
9. As advised by the company, various residential units and retail units with a total gross floor area of approximately 3,247.21sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB28,987,049. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.

10. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Residential	65,071.15	652
	Retail	590.68	
	Car park		
Group III- Properties held under development	Residential	190,810.87	
Total		256,472.7	652

11. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:

- a. MCC Mingcheng holds the real property rights for the properties corresponding to serial numbers 1 through 999 under the Real Estate Registration Information Query Result.

12. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contracts	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permits	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table	Portion

13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	503,300,000
Group III- Properties held under development in the PRC	366,900,000
Total:	840,200,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
41. A parcel of land of Wu Kuang Weilaili Plaza located at north of Huatian Road and south of Huatian North Road, Zhuozhou, Hebei Province. The PRC (五礦未來裡廣場土地)	The property is a parcel of land located at north of Huatian Road and south of Huatian North Road, Zhuozhou, Hebei Province. The property comprises a parcel of land with a site area of approximately 29,679.28 sq.m., which will be developed into a retail development with a planned plot ratio of 3.5. As advised by the Group, the construction of the project was not commenced as at the valuation date. The land use rights of the property have been granted for a term expiring on 9 December 2060 for commercial and financial use.	As at the valuation date, the property was bare land for future development.	64,400,000

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract – C13068120200019 dated 5 November 2020, the land use rights of a parcel of land with a site area of approximately 29,679.28sq.m. were contracted to be granted to Zhuozhou MCCMingshun Real Estate Development Co., Ltd (涿州市中冶名舜房地產開發有限公司, “**MCC Mingshun**”) for a term of 40 years for commercial and financial land use commencing from the land delivery date. The total land premium was RMB56,984,200.
2. Pursuant to a Real Estate Title Certificate (Land) – Ji (2021) ZhuoZhou Shi Bu Dong Chang Quan Di No. 0005996, the land use rights of a parcel of land with a site area of approximately 29,679.28 sq.m. have been granted to MCC Mingshun. The granted term expire on 9 December 2060 for commercial and financial use.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Mingshun has obtained land use right mentioned in note 2.
4. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permits	No
d.	Construction Work Planning Permit	No
e.	Construction Work Commencement Permit	No
f.	Pre-sale Permit	No
g.	Construction Work Completion and Inspection Certificate/Table	No
5. For the purpose of this report, the property is classified into the group as “Group IV–Properties held for future development by the Group in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
42. Minmetals Mingda Center and Mingxin Center located at the north side of Huatian Road and the west side of Tengfei Street, Zhuozhou, Hebei Province. The PRC (涿州五礦名達中心、名信中心)	Minmetals Mingda Center and Mingxin Center is situated at the north side of Huatian Road and the west side of Tengfei Street, Zhuozhou, Hebei Province. The property comprises two buildings, Mingda Center and Mingxin Center. Among them, 14# of Mingda Center has been completed with a gross floor area of 3,900.41 sq.m, while the remaining portions are still under construction (“CIP”). As advised by the Group, upon completion, the CIP will have a total gross floor area of approximately 166,383.40 sq.m. The CIP is scheduled to be completed in December 2026. The classification, usage and gross floor area details of the property are set out in note 8. The construction cost of the CIP of the property is estimated to be approximately RMB849,300,000, of which approximately RMB365,750,000 had been paid up to the Valuation Date.	As at the valuation date, the CIP of the property had been suspended and the completed portion was vacant for sale.	562,900,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB

The land use rights of the property have been granted for a term expiring on 9 December for retail use.

Notes:

1. Pursuant to 2 State-owned Construction Land Use Rights Grant Contracts–C13068120200018 and C13068120200017 dated 2 November 2020, the land use rights of two parcels of land with a site area of approximately 68,928.48 sq.m. were contracted to be granted to Zhuozhou MCC Mingda Real Estate Development Co., Ltd (涿州市中冶名達房地產開發有限公司, “MCC Mingda”) for a term of 40 years for retail use commencing from the land delivery date. The total land premium was RMB132,342,600.
2. Pursuant to 2 Real Estate Title Certificate (Land) – Ji (2021) ZhuoZhou Shi Bu Dong Chang Quan Di No. 0005702 and No.0006000, the land use rights of two parcels of land with a site area of approximately 68,928.48 sq.m. have been granted to MCC Mingda. The granted terms expire on 9 December 2060 for retail use.
3. Pursuant to 2 Construction Land Planning Permits – Di Zi No.130681202000024 and No.130681202000023, permission towards the planning of the aforesaid land parcels with a total site area of approximately 68,928.48 sq.m. has been granted to MCC Mingda.
4. Pursuant to 2 Construction Work Planning Permits – Jian Zi Di No.130681202100014 and 130681202100041 in favour of MCC Mingda, Minmetals Mingda Center and Mingxin Center have planned gross floor area of approximately 97,860.26 sq.m. and 72,423.55 sq.m. approved for construction respectively.
5. Pursuant to 4 Construction Work Commencement Permits – Nos.130681202105110101, 130681202107290101, 130681202104300101 and 130681202109180101 in favour of MCC Mingda, permissions by the relevant local authority have been given to commence the construction of Minmetals Mingda Center and Mingxin Center with a total gross floor area of approximately 170,283.81sq.m.
6. Pursuant to 7 Pre-sales Permits –Zhuo Fang Yu Shou Zheng Di Nos. 2021038, 2021041,2021040, 2021032, 2021042,2021044 and 2021043 in favour of MCC Mingda, MCC Mingda is entitled to sell 20 buildings with a total gross floor area of approximately 113,910.66 sq.m.
7. Pursuant to a Construction Work Completion and Inspection Reports in favour of MCC Mingda, the construction of the Completed Portion of the property with a total gross floor area of approximately 3,900.41 sq.m. has been completed and passed the acceptance inspection.

8. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)
Group I- Completed Properties held for sale	Retail	3,900.41
Group III- Properties held under development	Retail	166,383.40
Total	—	<u>170,283.81</u>

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:

- a. MCC Mingda has obtained land use right mentioned in note 2.

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contracts	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permits	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table	Portion

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	17,600,000
Group III- Properties held under development in the PRC	<u>545,300,000</u>
Total	<u>562,900,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
43. A parcel of land (2020-No.33) located at north of Huatian Road and south of Huatian North Road, Zhuozhou, Hebei Province. The PRC	The property is a parcel of land located at north of Huatian Road and south of Huatian North Road, Zhuozhou, Hebei Province.	As at the valuation date, the property was bare land for future development.	154,100,000
(2020-33號地)	The property comprises a parcel of land with a site area of approximately 41,658.69 sq.m., which will be developed into a residential development. As advised by the Group, the construction of the project was not commenced as at the valuation date. The land use rights of the property have been granted for a term expiring on 6 July 2093 for residential use.		

Notes:

1. Pursuant to a State-owned Land Use Rights Grant Contract – C13068120200024 dated 2 July 2024 and a supplementary agreement, the land use rights of a parcel of land with a site area of approximately 41,658.69 sq.m. were contracted to be granted to MCC Mingda for a term of 70 years for residential use commencing from the land delivery date. The land premium was RMB153,091,000.
2. A summary of major certificates/approvals is shown as follows:

a. State-owned Land Use Rights Grant Contract	Yes
b. Real Estate Title Certificate (for land)	No
3. For the purpose of this report, the property is classified into the group as “Group VI–Properties Contracted to be acquired by the Group in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
44. MCC Qinhai Yunshu located at South of Binhai East Road, East Side of Qinshui River, Muping District, Yantai City, Shandong Province, The PRC (煙台中冶·沁海云墅)	MCC Qinhai Yunshu is a residential development located at South of Binhai East Road, East Side of Qinshui River, Muping District, Yantai City. The property comprises three portions. The first portion is a residential and commercial development completed between 2014 and 2021. It has a total gross floor area of approximately 145,146.75 sq.m. The classification, usage and gross floor area details of the property are set out in note 5. The second portion is an education complex completed in 2017 situated to the No. 88 Longda Road, Muping District. It has a total gross floor area of approximately 36,385.01 sq.m. for education use.	As at the valuation date, the first portion with a total gross floor area of approximately 145,146.75 sq.m was vacant for sale, the second portion with a total gross floor area of approximately 36,385.01 sq.m. was leased to a school, the third portion was bare land for future development.	1,496,300,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

The third portion is 7 parcels of land with a total site area of approximately 227,341.48 sq.m, which are vacant for future development. The land use rights of this portion have been granted for terms expiring on 19 December 2050 and 29 September 2051 for commercial use.

Notes:

1. Pursuant to 9 State-owned Land Use Rights Certificates- Yan Guo Yong (2011) Di No. 43969, Yan Guo Yong (2011) Di No. 43970, Yan Guo Yong (2011) Di No. 43971, Yan Guo Yong (2011) Di No. 44341, Yan Guo Yong (2011) Di No. 44432, Yan Guo Yong (2013) Di No. 44453, Yan Guo Yong (2014) Di No. 42046, Yan Guo Yong (2014) Di No. 42047, and Yan Guo Yong (2014) Di No. 42048, the land use rights of 9 parcels of land with a total site area of approximately 655,100.62 sq.m. have been granted to Mcc capital real estate (Yantai) Co., Ltd. (煙台中冶京誠置業有限公司,"Yantai MCC"). The granted terms expiring on 19 December 2050 and 29 September 2051 for commercial use, 19 December 2080 and 29 September 2081 for residential use.
2. Pursuant to a Construction Work Completion and Inspection Certificate – Mu Jian Bei Zi (2021) No. 59, in favour of Yantai MCC, the construction of the completed portion with a total gross floor area of approximately 14,696.45 sq.m. the various buildings of Yantai MCC Phase II of A1 (including the property) have been completed and passed the acceptance inspection.
3. Pursuant to a Real Estate Title Certificate – Lu (2019) Yantai Shi Mu Bu Dong Chan Quan Di No.0001508, 10 buildings of the property with a total gross floor area of approximately 36,385.01 sq.m. were owned by Yantai MCC.
4. Pursuant to 156 Real Estate Title Certificates, including Lu (2018) Yantai Shi Muping Bu Dong Chan Quan Di No.0002478, etc. The property with a total gross floor area of approximately 145,146.75 sq.m. is owned by Yantai MCC of Project A1 Phase I, A2, A6, B1, B4, B5 and B6. The relevant land use rights have been granted to Yantai MCC for terms expiring on 19 December 2050 and 29 September 2051 for commercial use, 19 December 2080 and 29 September 2081 for residential use.

5. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Residential	92,347.14	
	Commercial	51,399.13	
	Storage	1,400.48	
	Carparking Space		2,101
Group II- Properties held for investment in the PRC	Education	36,385.01	
Total		181,531.76	2,101

6. As advised by the company, various residential units and commercial units with a total gross floor area of approximately 4,113.40 sq.m and 2 car parking spaces of the property have been pre-sold to various third parties at a total consideration of RMB41,753,001. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.

7. A summary of major certificates/approvals is shown as follows:

a.	Real Estate Title Certificate (land)	Yes
b.	Construction Work Completion and Inspection Certificate/Table	Yes
c.	Real Estate Title Certificate	Portion

8. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:

- a. Yantai MCC has obtained the real estate title certificates of the aforementioned property.

9. As at the valuation date, various commercial units with a total gross floor area of approximately 12,158.87 sq.m and 2,101 car parking spaces with a total gross floor area of approximately 160,571.10 sq.m had not been assigned to Yantai MCC and thus the title of the property had not been vested in Yantai MCC. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB163,220,000 assuming the relevant title certificates have been obtained by Yantai MCC and Yantai MCC is entitled to freely transfer the property.

10. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	901,900,000
Group II – Properties held for investment in the PRC	68,420,000
Group IV-Properties held for future development in the PRC	525,980,000
Total:	1,496,300,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
45. Qingdao MCC Shengshi Plaza located at No.335 Shilin Third Road, Jimo District, Qingdao City Shandong Province, The PRC (青島中冶盛世廣場)	Qingdao MCC Shengshi Plaza is a bare land located at No.335 Shilin Third Road, Jimo District. The property comprises a parcel of land with a site area of approximately 41,062.00. The land use rights of the property have been granted for a term expiring on 1 January 2060 for commercial use.	As at the valuation date, the property was vacant.	164,250,000

Notes:

1. Pursuant to a Real Estate Title Certificate – Lu (2020) Jimo District, Qingdao City Shi Bu Dong Chang Quan Di No. 0005082, the land use rights of a parcel of land with a site area of approximately 41,062.00sq.m. have been granted to Qingdao MCC Minghua Development Co., Ltd (青島中冶名華發展有限公司, "Qingdao MCC Minghua") for a term expiring on 1 January 2060 for commercial use.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Qingdao MCC Minghua has obtained the real estate title certificates of the aforementioned property.
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate (land) Yes
4. For the purpose of this report, the property is classified into the group as "Group IV–Properties held for future development by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property		Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>										
46.	Qingdao Dexian Gongguan located at No.333 Hongyanhe 1st Road, Jimo District, Qingdao City, Shandong Province, The PRC (青島德賢公館項目)	Qingdao Dexian Gongguan is situated to Hongyanhe 1st in Jimo District. Qingdao Dexian Gongguan is a residential and commercial development completed between 2022 and 2024. and occupies a parcel of land with a total site area of approximately 148,950.00 sq.m. The property comprises the unsold portion of Qingdao Dexian Gongguan with a total gross floor area of approximately 128,722.90 sq.m and 2,895 car parking spaces. The details of the property are set out as follows: <table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Residential</td><td>103,089.15</td></tr><tr><td>Commercial</td><td>25,633.75</td></tr><tr><td>Car parking spaces</td><td><u>(2,895 lots)</u></td></tr><tr><td>Sub-total:</td><td><u>128,722.90</u></td></tr></table>	Usage	Gross Floor Area (sq.m.)	Residential	103,089.15	Commercial	25,633.75	Car parking spaces	<u>(2,895 lots)</u>	Sub-total:	<u>128,722.90</u>	The property was vacant as at the valuation date.	166,620,000
Usage	Gross Floor Area (sq.m.)													
Residential	103,089.15													
Commercial	25,633.75													
Car parking spaces	<u>(2,895 lots)</u>													
Sub-total:	<u>128,722.90</u>													

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB

The land use rights of the property have been granted for terms expiring on 1 January 2060 for commercial use and on 1 January 2090 residential use.

Notes:

1. Pursuant to a Real Estate Title Certificate (land) –Lu (2020) Qingdao Shi Jimo Qu Bu Dong Chan Quan Di No. 0003708, the land use rights of a parcel of land with a site area of approximately 148,950.00 sq.m. have been granted to Qingdao MCC Minghua Development Co., Ltd (青島中冶名華發展有限公司, “**Qingdao MCC Minghua**”). The granted terms expiring on 1 January 2090 for residential use; and 1 January 2060 for commercial use.
2. Pursuant to 3 Real Estate Registration Particulars, Lu (2022) Qingdao Shi Jimo Qu Bu Dong Chan Quan No. 0027445, Lu (2022) Qingdao Shi Jimo Qu Bu Dong Chan Quan No. 0005985 and Lu (2023) Qingdao Shi Jimo Qu Bu Dong Chan Quan No. 0006069, the property with a total gross floor area of approximately 143,767.97 sq.m. is owned by Qingdao MCC Minghua, various buildings of West Area of Qingdao Dexian Mansion (including the property) have been completed and passed the acceptance inspection.
3. Pursuant to 2 Construction Work Completion and Inspection Certificates – Ji Jian Jun Bei Zi Di 2025-001, and Ji Jian Jun Bei Zi Di 2024-107, in favour of Qingdao MCC Minghua, the construction of the completed portion with a total gross floor area of approximately 197,327.40 sq.m. in various buildings of East Area of Qingdao Dexian Mansion (including the property) has been completed and passed the acceptance inspection.
4. As advised by the company, various residential units and commercial units with a total gross floor area of approximately 7,492.27 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB81,228,073.09. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
5. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Qingdao MCC Minghua has obtained the real estate title certificates of the aforementioned property.
6. A summary of major certificates/approvals is shown as follows:

a. Construction Work Completion and Inspection Certificate/Table	Yes
b. Real Estate Registration Particulars	Portion
7. As at the valuation date, various residential units and commercial units with a total gross floor area of approximately 106,571.10 sq.m and 2,895 car parking spaces had not been assigned to Qingdao MCC Minghua and thus the title of the property had not been vested in Qingdao MCC Minghua. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB1,223,440,000 assuming the relevant title certificates have been obtained by Qingdao MCC Minghua and Qingdao MCC Minghua is entitled to freely transfer the property.
8. For the purpose of this report, the property is classified into the group as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
47. Xiongan Dexian Mansion – Jinxiu Mansion located at Bitang Street, Start-up Area, Xiong'an New Area, Hebei Province, The PRC (雄安新區XACR-2021-031項目)	Xiongan Dexian Mansion is located at Bitang Street, Start-up Area, Xiong'an New Area. The property comprises two portions. The first portion of the property has been completed and held for sale. It was completed between 2024 and 2025 with a total gross floor area of approximately 58,740.38 sq.m. for residential and commercial use. The classification, usage and gross floor area details of the property are set out in note 8. The second portion of the property was under construction (the "CIP") as at the valuation date. As advised by the Company, upon completion, the CIP will have a total gross floor area of approximately 79,898.47sq.m. The CIP is scheduled to be completed in October 2026.	As at the valuation date, the completed portion of the property was vacant for sale, the CIP portion of the property was under construction.	1,360,120,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	The construction building cost of the CIP of the property is estimated to be approximately RMB317,400,000, of which approximately RMB154,405,000 had been paid up to the valuation Date.		
	The land use rights of the property have been granted to the Group for term expiring on 17 November 2061 for commercial use and 17 November 2091 for residential.		

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract -C130131420210006 dated 18 November 2021, the land use rights of a parcel of land with a total site area of approximately 130,592.62 sq.m.were contracted to be granted to Hebei Xiong'an MCC Mingzhuo Industrial Development Co., Ltd. (河北雄安中冶名卓產業發展有限公司, “Xiong'an MCC Mingzhuo”) for residential and commercial use commencing from the land delivery date. The total land premium was RMB932,550,000.
2. Pursuant to 7 Real Estate Title Certificates (land) –Ji (2023) Xiongan New Area Bu Dong Chan Quan No. 0022048- 0022054, the land use rights of a parcel of land with a site area of approximately101,013.57 sq.m. have been granted to Xiong'an MCC Mingzhuo. with granted terms expiring on 17 November 2091 for residential use, and 17 November 2061 for commercial use.
3. Pursuant to a Construction Land Planning Permit – Di Zi No. 133100202200671 permission towards the planning of the aforesaid land parcel with a total site area of approximately 130,592.62 sq.m. has been granted to Xiong'an MCC Mingzhuo (including the property).
4. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 133100202300160, in favour of Xiongan Dexian Mansion- (D03-02-17) Project which have a total gross floor area of approximately 267,687.26 sq.m. has been approved for construction (including the property).
5. Pursuant to a Construction Work Commencement Permit – No. 133100202402020301 in favour of Xiong'an MCC Mingzhuo, permissions by the relevant local authority have been given to commence the construction of Xiongan Dexian Mansion- (D03-02-17) with a total gross floor area of approximately 80,041.56 sq.m..
6. Pursuant to a Construction Work Completion and Inspection Certificate- Xiongan Jun Bei 2025 Zi Di 110, in favour of Xiong'an MCC Mingzhuo, the construction of the completed portion with a total gross floor area of approximately 13,201.93 sq.m. in the various buildings of De Fu Yuan of Xiongan Dexian Mansion (including the property) has been completed and passed the acceptance inspection.
7. Pursuant to 506 Real Estate Title Certificates, including Ji (2024) Xiongan New Area Bu Dong Chan Quan Di No. 0031682, etc. The property with a total gross floor area of approximately 58,557.2 sq.m is owned by Xiong'an MCC Mingzhuo, various buildings have been granted to Xiong'an MCC Mingzhuo (including the property) for terms expiring on 17 November 2091 for residential use, and 17 November 2061 for commercial use.
8. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)
Group I- Completed Properties held for sale	Residential	63,723.46
	Commercial	193.14
Group III-Held under development	Residential	41,712.70
	Commercial	5,631.79
	Office	11,906.05
	Car park	20,647.93
Total	–	143,815.07

9. As advised by the company, various residential units and commercial units with a total gross floor area of approximately 10,336.10 sq.m. have been pre-sold to various third parties at a total consideration of RMB164,705,339.00. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
10. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- Xiong'an MCC Mingzhuo has obtained the land use rights under the Real Estate Title Certificate (land) mentioned in note 2.
 - For the property under construction, Xiong'an MCC Mingzhuo has obtained the relevant construction land planning permit, construction project planning permit and construction permit.
11. As at the valuation date, various residential units with a total gross floor area of approximately 5,359.40 sq.m. had not been assigned to Xiong'an MCC Mingzhuo and thus the title of the property had not been vested in Xiong'an MCC Mingzhuo. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB91,110,000 assuming the relevant title certificates have been obtained by Xiong'an MCC Mingzhuo and Xiong'an MCC Mingzhuo is entitled to freely transfer the property.
12. A summary of major certificates/approvals is shown as follows:
- State-owned Construction Land Use Rights Grant Contract Yes
 - Real Estate Title Certificate (for land) Yes
 - Construction Land Planning Permits Yes
 - Construction Work Planning Permit Yes
 - Construction Work Commencement Permit Yes
 - Construction Work Completion and Inspection Certificate/Table Portion
 - Real Estate Title Certificate Portion
13. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Completed Properties held for sale in the PRC	914,720,000
Group III-Properties held under development in the PRC	445,400,000
Total:	<u>1,360,120,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
48. Tangshan Dexian Mansion – Jinxiu Mansion located at East Side of Jianshe South Road, South Side of Jiaoda South Street, West Side of Daxue North Road, North Side of Daxue Road, Lunan District, Tangshan City, Hebei Province The PRC (唐山老交大老火車站片區A區B-10、B-11及B-12地塊)	Tangshan Dexian Mansion – Jinxiu Mansion is located at Daxue Road, Lunan District, Tangshan City. The property comprises three portions. The first portion of the property was completed in 2024 with a total gross floor area of approximately 32,140.60 sq.m for residential and commercial use. The second portion of the property were under construction (the “CIP”) as at the valuation date. As advised by the Company, upon completion, the CIP will have a total gross floor area of approximately 63,109.90 sq.m. The CIP is scheduled to be completed in June 2027.	As at the valuation date, the first portion of the property was vacant for sale, the second portion of the property was under construction and the third portion was bare land for future development.	967,080,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

The construction building cost of the CIP of the property is estimated to be approximately RMB316,600,000, of which approximately RMB158,290,000 had been paid up to the Valuation Date.

The third portion was a parcel of land with a site area of approximately 56,806.81 sq.m.

The land use rights of the property have been granted for terms expiring on 9 August 2057 for commercial use and 9 August 2087 for residential use.

Notes:

1. Pursuant to 3 State-owned Construction Land Use Rights Grant Contracts -C13020020210013 -C13020020210015 dated 28 October 2021, the land use rights of three parcels of land with a total site area of approximately 160,291.06 sq.m.were contracted to be granted to Tangshan MCC Minghe Real Estate Development Co., Ltd (唐山中冶名和房地產開發有限公司, “**Tangshan MCC Minghe**”) for residential and commercial use commencing from the land delivery date. The total land premium was RMB1,879,680,364.
2. Pursuant to 2 Real Estate Title Certificates – Ji (2022) Tangshan Shi Bu Dong Chan Quan Di No. 0012398 and Ji (2023) Tangshan Shi Bu Dong Chan Quan Di No. 0015925, the land use rights of 2 parcels of land with a total site area of approximately 103,484.25 sq.m. have been granted to Tangshan MCCMinghe for terms expiring on 28 November 2091 for residential use, and 28 November 2071 for commercial use.
3. Pursuant to a Construction Land Planning Permit – Di Zi Nos. 130201202300004 permission towards the planning of the aforesaid land parcel with a site area of approximately 44,807.73 sq.m. has been granted to Tangshan MCCMinghe.
4. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 1302022025GG0013515, in favour of Tangshan Dexian Mansion- B11 Project which have a total gross floor area of approximately 63,109.90 sq.m. has been approved for construction.
5. Pursuant to a Construction Work Commencement Permit – No. 130202202508040101 in favour of Tangshan MCCMinghe, permissions by the relevant local authority have been given to commence the construction of Tangshan Dexian Mansion- B11 with a total gross floor area of approximately 63,109.90 sq.m..
6. Pursuant to 224 Real Estate Title Certificates, including Ji (2024) Tangshan Shi Bu Dong Chan Quan Di No. 0096967, etc. The property with a total gross floor area of approximately 30,729.23 sq.m is owned by Tangshan MCC Minghe, various buildings have been granted to Tangshan MCCMinghe for terms expiring on 28 November 2091 for residential use, and 28 November 2071 for commercial use.
7. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Residential	18,783.79	363
	Commercial	4,778.70	
	Car park		
	Storage	8,578.11	
Group III- Properties held under development	Residential	45,100.26	
	Commercial	1,924.61	
	Other	16,085.03	
Total		95,250.50	363

8. As advised by the company, various residential units and storage units with a total gross floor area of approximately 2,482.07 sq.m and 24 car park spaces have been pre-sold to various third parties at a total consideration of RMB35,183,845.00. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- Tangshan MCC Minghe has obtained the land use rights under the Real Estate Title Certificate (land) mentioned in note 1.
 - For the property under construction, Tangshan MCC Minghe has obtained the relevant construction land planning permit, construction project planning permit and construction permit.
10. As at the valuation date, various residential units with a total gross floor area of approximately 1,411.33 sq.m., 363 car park spaces, and a parcel of land with a site area of approximately 56,806.81 sq.m, had not been assigned to Tangshan MCC Minghe and thus the title of the property had not been vested in Tangshan MCC Minghe. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB620,560,000 assuming the relevant title certificates have been obtained by Tangshan MCC Minghe and Tangshan MCC Minghe is entitled to freely transfer the property.
11. A summary of major certificates/approvals is shown as follows:
- State-owned Construction Land Use Rights Grant Contract Yes
 - Real Estate Title Certificate (for land) Portion
 - Construction Land Planning Permits Yes
 - Construction Work Planning Permit Yes
 - Construction Work Commencement Permit Yes
 - Real Estate Title Certificate Portion
12. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Completed Properties held for sale in the PRC	297,180,000
Group III-Properties held under development in the PRC	669,900,000
Total:	967,080,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
49. Suzhou Jinxiu Yazhu located at No. 168, Shuxiang Road, Xiangcheng District, Suzhou City, Jiangsu Province, The PRC (蘇州錦繡雅築)	Suzhou Jinxiu Yazhu is situated to No. 168, Shuxiang Road, Xiangcheng District. The property comprises two portions. The first portion includes the unsold portion of Suzhou Jinxiu Yazhu Phase I with a total gross floor area of approximately 20,641.49sq.m., which was completed in 2024. The Second portion includes Suzhou Jinxiu Yazhu Phase II which was being constructed as at the valuation date (the “CIP”).	As at the valuation date, the unsold portion of the property was vacant for sale, the CIP of the property was under construction.	1,572,400,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>

As advised by the Company, upon completion, the CIP will have a total gross floor area of approximately 175,153.93 sq.m.. The details are set out as follows:

Usage	Gross Floor Area (sq.m.)
Residential Car parking spaces	107,818.28 67,335.65
Sub-total:	<u>175,153.93</u>

The CIP is scheduled to be completed in December 2025. The construction cost of the CIP of the property is estimated to be approximately RMB358,700,000, of which approximately RMB333,100,000 had been paid up to the Valuation Date.

The land use rights of the property have been granted for a term expiring on 2 March 2091 for residential use.

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract–3205012020CR0165 dated 11 March 2021, the land use rights of a parcel of land with a site area of approximately 71,463.00 sq.m. were contracted to be granted to Suzhou Zhongyuanrui Real Estate Development Co., Ltd. (蘇州中元銳房地產開發有限公司, "Suzhou Zhongyuanrui") for terms of 70 years for residential land use commencing from the land delivery date. The total land premium was RMB2,242,993,852.
2. Pursuant to 3 Real Estate Title Certificates – Su (2021) Su Zhou Shi Bu Dong Chang Quan Di No. 7008048, Su (2021) Su Zhou Shi Bu Dong Chang Quan Di No. 7008050, Su (2021) Su Zhou Shi Bu Dong Chang Quan Di No. 7008051, the land use rights of 3 parcels of land with a total site area of approximately 71,463.00 sq.m. have been granted to Suzhou Zhongyuanrui. The relevant land use rights have been granted to Suzhou Zhongyuanrui for a term expiring on 2 March 2091 for residential use.
3. Pursuant to a Construction Land Planning Permit – Di Zi No.320507202100031, permission towards the planning of the aforesaid land parcel with a site area of approximately 71,463.00 sq.m. has been granted to Suzhou Zhongyuanrui.
4. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 320507202100023, in favour of Suzhou Zhongyuanrui, Suzhou Jinxiu Yazhu which have a total gross floor area of approximately 213,706.27 sq.m. (including Phase I and Phase II) has been approved for construction.
5. Pursuant to 2 Construction Work Commencement Permits – Nos.320501202108300301 and 320507202107090101 in favour of Suzhou Zhongyuanrui, permissions by the relevant local authority have been given to commence the construction of Suzhou Jinxiu Yazhu with a total gross floor area of approximately 212,535.39 (including Phase I and Phase II) sq.m..
6. Pursuant to 4 Pre-sales Permits –Su Fang Yu Xiang Cheng (2024) No. 036, Su Fang Yu Xiang Cheng (2023) No. 023, Su Fang Yu Xiang Cheng (2022) No. 103 and Su Fang Yu Xiang Cheng (2021) No. 248 in favour of Suzhou Zhongyuanrui, Suzhou Zhongyuanrui is entitled to sell 16 buildings of Suzhou Jinxiu Yazhu Phase I with a total gross floor area of approximately 69,453.49 sq.m..
7. Pursuant to 2 Construction Work Completion and Inspection Certificate/Table – Nos. 3205012104010104-JX-001 and 3205012104010104-JX-002 in favour of Suzhou Zhongyuanrui, the relevant local authority has accepted the completion inspection of the Suzhou Jinxiu Yazhu Phase I with a total gross floor area of approximately 106,755.43 sq.m. (including the property) as qualified.
8. As advised by the company, various residential units with a total gross floor area of approximately 1,452.69 sq.m. of the property have been pre-sold to various third parties at a total consideration of RMB24,291,474. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Suzhou Zhongyuanrui holds the property rights of 285 real estate units under the "Real Estate Registration Query Result Certificates."

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permits	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table	Portion

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date <i>RMB</i>
Group I-Completed Properties held for sale in the PRC	349,800,000
Group III-Properties held under development by the Group in the PRC	<u>1,222,600,000</u>
Total:	<u><u>1,572,400,000</u></u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
50. Nanjing MCC Jinxiu Longwan located at Jiezhi Zha Road, Qinhuai District, Nanjing City, Jiangsu Province, The PRC (南京中冶錦繡瓏灣)	Nanjing MCC Jinxiu Longwan is situated at Jiezhi Zha Road, Qinhuai District. The property was completed in 2020. It comprises 3 residential units with a total gross floor area of approximately 1,354.06 sq.m., 14 storage units with a total gross floor area of approximately 131.0 sq.m. and 46 car parking spaces. The land use rights of the property have been granted for a term expiring on 11 December 2087 for residential use.	As at the valuation date, the property was vacant for sale.	42,800,000

Notes:

1. Pursuant to 2 Real Estate Title Certificates – Su (2018) Dong Bu Dong Chan Quan Di Nos. 0007171 and 0007175, the land use right of the property with a site area of approximately 22,607.79 sq.m. is owned by Nanjing MCC Minghuai Real Estate Co., Ltd. (南京中冶名淮房地產開發有限公司, “**Nanjing MCC Minghuai**”) The relevant land use rights have been granted to Nanjing MCC Minghuai for a term expiring on 11 December 2087 for residential use.
2. Pursuant to a Construction Land Planning Permit – Di Zi No.320104201810008, permission towards the planning of the aforesaid land parcel with a site area of approximately 22,634.16 sq.m. has been granted to Nanjing MCC Minghuai.
3. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 320104201811236, in favour of Nanjing MCC Minghuai, Nanjing MCC Jinxiu Longwan which have a total gross floor area of approximately 43,674.86 sq.m. has been approved for construction.
4. Pursuant to a Construction Work Commencement Permit – No.320104201903121101 in favour of Nanjing MCC Minghuai, permissions by the relevant local authority have been given to commence the construction of Nanjing MCC Jinxiu Longwan with a total gross floor area of approximately 43,674.86 sq.m..
5. Pursuant to a Pre-sales Permit –No.2020100135 in favour of Nanjing MCC Minghuai, Nanjing MCC Minghuai is entitled to sell 7 buildings of Nanjing MCC Jinxiu Longwan.
6. Pursuant to a Construction Work Completion and Inspection Certificate/Table – No. 3201061503060101-JX-010 in favour of Nanjing MCC Minghuai, the relevant local authority has accepted the completion inspection of the Nanjing MCC Jinxiu Longwan with a total gross floor area of approximately 43,674.86 sq.m. as qualified.
7. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Nanjing MCC Minghuai holds the property rights of 40 real estate units under the “Real Estate Registration Query Result Certificates.”
8. A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate (for land)	Yes
b. Construction Land Planning Permits	Yes
c. Construction Work Planning Permit	Yes
d. Construction Work Commencement Permit	Yes
e. Pre-sale Permit	Yes
f. Construction Work Completion and Inspection Certificate/Table	Yes
9. For the purpose of this report, the property is classified into the group as “Group I–Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
51. Nanjing MCC Shengshi Riverside – Hutchison/ Jinxiu Huafu/Jinxiu Jiangshan located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC (南京中冶盛世濱江—和記洋行／錦繡華府／錦繡江山)	Nanjing MCC Shengshi Riverside – Hutchison/ Jinxiu Huafu/Jinxiu Jiangshan are situated to Plot 3, West of Jiangbian Road, Gulou District. The property comprises three portions. The first portion was the unsold portion of Jinxiu Huafu, Jinxiu Jiangshan and Shenghe Commercial Building, which were completed between 2017 and 2023, with a total gross floor area of approximately 33,265.79 sq.m. (the “Completed Portion”). The second portion comprised Heji Yanghang, which was under construction as at the valuation date (the “CIP”).	As at the valuation date, the Completed Portion of the property was vacant for sale, the CIP of the property was under construction and the Land Portion was vacant.	1,938,100,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	The third portion was the bare land with a site area for approximately 82,094.21 sq.m. for further development (the “Land Portion”). The details are set out in note 16.		
	As advised by the Company, the CIP is scheduled to be completed in December 2025.		
	The construction cost of the CIP of the property is estimated to be approximately RMB 500,900,000, of which approximately RMB 338,400,000 had been paid up to the Valuation Date.		
	The land use rights of the property have been granted for terms expiring on 24 March 2085 and 29 September 2087 for residential use; 24 March 2080 and 15 January 2080 for apartment use; 24 March 2055, 15 January 2055 for commercial and office use and 24 March 2065 for cultural, sports & entertainment use.		

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract – No. 3201012010CR0132, the land use rights with a total site area of approximately 576,547.10 sq.m. have been granted to Nanjing Linjiang Old City Renovation and Construction Investment Co., Ltd. (南京臨江老城改造建設投資有限公司, “**Nanjing Linjiang**”) (including the land of this property)
2. Pursuant to 3 Construction Land Planning Permits – Di Zi Nos. 320107201111273, 320107201111272 and 320107201111271, permission towards the planning of the aforesaid land parcel with a total site area of approximately 578,903.50 sq.m. has been granted to Nanjing Linjiang. (including the land of this property and the land of property nos. 52, 53 and 54)
3. Pursuant to 10 Real Estate Title Certificates, the land use rights of the Completed Portion and CIP of the property with a total site area of approximately 188,542.52 sq.m. have been granted to Nanjing Linjiang. The relevant land use rights have been granted to Nanjing Linjiang for terms expiring on 24 March 2085 and 29 September 2087 for residential use; 24 March 2080 and 15 January 2080 for apartment use; 24 March 2055, 15 January 2055 for commercial and office use and 24 March 2065 for cultural, sports& entertainment use.
4. Pursuant to 6 Construction Work Planning Permit – Jian Zi Di Nos. 320106201610197, 320106201810048, 320106201810100, 320106201810691, 320106201711162 and 320106201810280, in favour of Nanjing Linjiang, Jinxiu Huafu which have a total gross floor area of approximately 226,421.23 sq.m. has been approved for construction.
5. Pursuant to 2 Construction Work Planning Permit – Jian Zi Di Nos. 320106201910395 and 320106201610417, in favour of Nanjing Linjiang, Jinxiu Jiangshan which have a total gross floor area of approximately 71,077.64 sq.m. has been approved for construction.
6. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 320106202011556, in favour of Nanjing Linjiang, Shenghe Commercial Building which have a total gross floor area of approximately 12,082.31 sq.m. has been approved for construction.
7. Pursuant to 2 Construction Work Planning Permits – Jian Zi Di Nos. 320106202100223 and 320106202100230, in favour of Nanjing Linjiang, Heji Yanghang which have a total gross floor area of approximately 95,732.84 sq.m. has been approved for construction.
8. Pursuant to 4 Construction Work Commencement Permits – Nos. 320106201604270101, 320106201804170101, 320106201812060101 and 320106201806290101 in favour of Nanjing Linjiang, permissions by the relevant local authority have been given to commence the construction of Jinxiu Huafu with a total gross floor area of approximately 234,302.40 sq.m..
9. Pursuant to 2 Construction Work Commencement Permits –Nos. 320106201904281101 and 320106201607290101 in favour of Nanjing Linjiang, permissions by the relevant local authority have been given to commence the construction of Jinxiu Jiangshan with a total gross floor area of approximately 71,077.64 sq.m..
10. Pursuant to a Construction Work Commencement Permits –No. 320106202011161101 in favour of Nanjing Linjiang, permissions by the relevant local authority have been given to commence the construction of Shenghe Commercial Building with a total gross floor area of approximately 12,082.31 sq.m..

11. Pursuant to a Construction Work Commencement Permit– No. 320106202111191000 in favour of Nanjing Linjiang, permissions by the relevant local authority have been given to commence the construction of He Ji Yang Hang with a total gross floor area of approximately 95,732.84 sq.m..
12. Pursuant to 6 Pre-sales Permits –Ning Fang Xiao Di Nos. 2016100140, 2016100074, 2018100038, 2019100056, 2018100140 and 2018100065 in favour of Nanjing Linjiang, Nanjing Linjiang is entitled to sell 23 buildings of Nanjing Jinxiu Huafu.
13. Pursuant to 2 Pre-sales Permits –Ning Fang Xiao Di Nos. 2019100085 and 2016100188 in favour of Nanjing Linjiang, Nanjing Linjiang is entitled to sell 6 buildings of Nanjing Jinxiu Jiangshan.
14. Pursuant to 2 Pre-sales Permits –Ning Fang Xiao Di Nos. 2023100154 and 2023100053 in favour of Nanjing Linjiang, Nanjing Linjiang is entitled to sell 3 buildings of Nanjing Jinxiu Hexuan.
15. Pursuant to 7 Construction Work Completion and Inspection Certificates/Tables – Nos. 3201061503060101-JX-001, 3201061503060101-JX-002, 3201061503060101-JX-003, 3201061503060102-JX-002, Ning Bei Zi Nos. 32010620200006, 32010620200008 and 32010620230010 in favour of Nanjing Linjiang, the relevant local authority has accepted the completion inspection of the Nanjing MCC Shengshi Riverside – Jinxiu Huafu, Jinxiu Jiangshan Project, and Shenghe Commercial Building with a total gross floor area of approximately 101,819.11 sq.m..
16. According to the information provided by the Group, the details of the property are set out as below:

Portions	Usage	Gross Floor Area (sq.m.)	Site Area (sq.m.)	No. of Car Parking Space
Completed Portion	Residential	1,446.21		
	Commercial	3,393.95		
	Office	27,668.22		
	Storage	757.41		
	Carpark			437.00
	Sub-total:	33,265.79		437.00
CIP	Residential	36,794.11		
	Office	11,513.11		
	Underground	47,425.65		
	Sub-total:	95,732.84		
Land	Commercial		22,482.47	
	cultural, sports, entertainment		59,611.74	
	Sub-total:		82,094.21	
	Total	128,998.66	82,094.21	437.00

17. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- a. Nanjing Linjiang holds the property rights of 1099 real estate units under the "Real Estate Registration Query Result Certificates."
18. As at the valuation date, the Land Portion with a site area of 22,482.47 sq.m. has not yet been demolished and cleared by the government, nor have they been transferred to Nanjing Linjiang and thus the title of the property had not been vested in Nanjing Linjiang. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB304,400,000 assuming the relevant title certificates have been obtained by Nanjing Linjiang and Nanjing Linjiang is entitled to freely transfer the property.
19. A summary of major certificates/approvals is shown as follows:
- | | | |
|----|---|---------|
| a. | State-owned Construction Land Use Rights Grant Contract | Yes |
| b. | Real Estate Title Certificate (for land) | Portion |
| c. | Construction Land Planning Permits | Yes |
| d. | Construction Work Planning Permit | Portion |
| e. | Construction Work Commencement Permit | Portion |
| f. | Pre-sale Permit | Portion |
| g. | Construction Work Completion and Inspection Certificate/Table | Portion |
20. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Completed Properties held for sale in the PRC	500,500,000
Group III-Properties held under development by the Group in the PRC	476,000,000
Group IV-Properties held for future development by the Group in the PRC	961,600,000
Total:	<u>1,938,100,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
52. Nanjing MCC Shengshi Riverside – Jinxiu Gongguan located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC (南京中冶盛世濱江—錦繡公館)	Nanjing MCC Shengshi Riverside – Jinxiu Gongguan is situated to Plot 3, West of Jiangbian Road, Gulou District. The property comprises three portions. The first portion is the unsold portion of Jinxiu Gongguan Phase I, which was completed in 2018, with a total gross floor area of approximately 4,298.84 sq.m. (the “Completed Portion”). The second portion comprises Jinxiu Gongguan Phase II, which was under construction as at the valuation date (the “CIP”). The third portion is the bare land with a site area for approximately 7,111.38 sq.m. for further development (the “Land Portion”). The details are set out in note 7.	As at the valuation date, the Completed Portion of the property was vacant for sale, the CIP of the property was under construction and the Land Portion was bare land for future development.	553,200,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	As advised by the Company, the CIP is scheduled to be completed in December 2025.		
	The construction cost of the CIP of the property is estimated to be approximately RMB415,400,000, of which approximately RMB220,900,000 had been paid up to the Valuation Date.		
	The land use rights of the property have been granted for terms expiring on 9 August 2082 for apartment use; 9 August 2057 for commercial and retail use and 9 August 2087 for residential use.		

Notes:

1. Pursuant to 5 Real Estate Title Certificates –Su (2017) Ning Gu Bu Dong Chang Quan Di No. 0134895, Su (2017) Ning Gu Bu Dong Chang Quan Di No. 0145504, Su (2017) Ning Gu Bu Dong Chang Quan Di No. 0134902, Su (2023) Ning Gu Bu Dong Chang Quan Di No. 0009655 and Su (2023) Ning Gu Bu Dong Chang Quan Di No. 0010387, the land use rights of 5 parcels of land with a total site area of approximately 49,524.98 sq.m. have been granted to Nanjing MCC Zhengjin Real Estate Co., Ltd. (南京中冶正錦置業有限公司, “**Nanjing Zhengjin**”). The relevant land use rights have been granted to Nanjing Zhengjin for terms expiring on 9 August 2082 for apartment use; 9 August 2057 for commercial and retail use and 9 August 2087 for residential use.
2. Pursuant to a State-owned Construction Land Use Rights Grant Contract – No. 3201012010CR0132 and its supplemental contracts – Ning Guo Zi Rang He (2013) Bu No.32 and Ning Guo Zi Rang He (2017) Bu No.17, the land use rights of a parcel of land with a site area of approximately 7111.38 sq.m. have been granted to Nanjing Zhengjin.

3. Pursuant to 7 Construction Work Planning Permits – Jian Zi Di Nos. 320106202300252, 320106201910211,320106201810701,320106201810218,320106201810004,320106201810024 and 320106201810240, in favour of Nanjing Zhengjin, Shengshi Riverside -Jinxu Gongguan which have a total gross floor area of approximately 125,654.86 sq.m. has been approved for construction.
4. Pursuant to 5 Construction Work Commencement Permits – No. 320106202309261101, 320106201807270101,320106201808310101,320106201904021101and 320106201903141101 in favour of Nanjing Zhengjin, permissions by the relevant local authority have been given to commence the construction of Shengshi Riverside – Jinxu Gongguan with a total gross floor area of approximately 127,649.73 sq.m..
5. Pursuant to 6 Pre-sales Permits –Ning Fang Xiao Di Nos. 2018100094, 2018100088, 2019100048, 2024100031, 2023100228 and 2023100200 in favour of Nanjing Zhengjin, Nanjing Zhengjin is entitled to sell 20 buildings of Jinxu Gongguan Phase I.
6. Pursuant to 2 Construction Work Completion and Inspection Certificates/Tables – Nos. 3201061708140101JX-001 and 3201061708140101JX-002 in favour of Nanjing Zhengjin, the relevant local authority has accepted the completion inspection of the Shengshi Riverside – Jinxu Gongguan Phase I with a total gross floor area of approximately 83,067.37 sq.m..
7. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Portions	Usage	Gross Floor Area (sq.m.)	Site Area (sq.m.)	No. of Car Parking Space
Completed Portion	Commercial	1,192.12		
	Storage	3,106.72		
	Carpark			185.00
	Sub-total:	4,298.84		185.00
CIP	Residential	23,224.67		
	Apartment	14,915.98		
	Commercial	4,110.19		
	Carpark			227.00
	Sub-total:	42,250.84		227.00
Land	Commercial		3,890.28	
	Residential		3,221.10	
	Sub-total:		7,111.38	
	Total	46,549.68	7,111.38	412.00

8. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Nanjing Zhengjin holds the property rights of 161 real estate units under the "Real Estate Registration Query Result Certificates."

9. As at the valuation date, the Land Portion with a site area of 7,111.38 sq.m. has not yet been demolished and relocated by the government, nor have they been transferred to Nanjing Zhengjin and thus the title of the property had not been vested in Nanjing Zhengjin. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB123,400,000 assuming the relevant title certificates have been obtained by Nanjing Zhengjin and Nanjing Zhengjin is entitled to freely transfer the property.
10. A summary of major certificates/approvals is shown as follows:
- | | | |
|----|---|---------|
| a. | State-owned Construction Land Use Rights Grant Contract | Yes |
| b. | Real Estate Title Certificate (for land) | Portion |
| c. | Construction Land Planning Permits | Yes |
| d. | Construction Work Planning Permit | Portion |
| e. | Construction Work Commencement Permit | Portion |
| f. | Pre-sale Permit | Portion |
| g. | Construction Work Completion and Inspection Certificate/Table | Portion |
11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Completed Properties held for sale in the PRC	87,700,000
Group III-Properties held under development by the Group in the PRC	465,500,000
Total:	<u>553,200,000</u>

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
53.	Nanjing MCC Shengshi Riverside – Jinxiu Tianxi located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC (南京中冶盛世濱江— 錦繡天璽)	Nanjing MCC Shengshi Riverside – Jinxiu Tianxi is situated to Plot 3, West of Jiangbian Road, Gulou District. The property comprises two portions. The first portion is the unsold portion of Jinxiu Tianxi Phase I, which was completed in 2021, with a total gross floor area of approximately 5,729.98 sq.m. (the “Completed Portion”). The second portion is the bare land with a site area of approximately 17,043.54 sq.m. for further development (the “Land Portion”). The details are set out in note 7. The land use rights of the property have been granted for terms expiring on 28 February 2087 for residential use and 28 February 2057 for commercial and office use.	As at the valuation date, the Completed Portion of the property was vacant for sale, the Land Portion was bare land for future development.	149,200,000

Notes:

1. Pursuant to a Real Estate Title Certificate –Su (2021) Ning Gu Bu Dong Chang Quan Di No. 0034490, the land use rights of a parcel of land with a site area of approximately 23,286.52 sq.m. have been granted to Nanjing MCC Zhengye Real Estate Co., Ltd. (南京中冶正鄴置業有限公司, “**Nanjing Zhengye**”). The relevant land use rights have been granted to Nanjing Zhengye for terms expiring on 28 February 2087 for residential use and 28 February 2057 for commercial and office use.
2. Pursuant to a State-owned Land Use Rights Grant Contract- No. 3201012010CR0132 and its supplemental contracts – Ning Guo Zi Rang He (2013) Bu No.32 and Ning Guo Zi Rang He (2017) Bu No.4, the land use rights of a parcel of land with a total site area of approximately 17,043.54 sq.m. have been granted to Nanjing Zhengye.
3. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 320106201910367, in favour of Nanjing Zhengye, Jinxiu Tianxi Phase I which have a total gross floor area of approximately 155,816.36 sq.m. has been approved for construction.
4. Pursuant to a Construction Work Commencement Permit – No. 320106202309261101 in favour of Nanjing Zhengye, permissions by the relevant local authority have been given to commence the construction of Shengshi Riverside – Jinxiu Tianxi Phase I with a total gross floor area of approximately 155,816.36 sq.m..
5. Pursuant to 4 Pre-sales Permits –Ning Fang Xiao Di Nos. 2019100141, 2021100220, 2020100066 and 2020100091 in favour of Nanjing Zhengye, Nanjing Zhengye is entitled to sell 6 buildings of Shengshi Riverside – Jinxiu Tianxi Phase I.
6. Pursuant to 2 Construction Work Completion and Inspection Certificate/Table – Nos. 3201061702230101-JX-002 and 3201061702230101-JX-003 in favour of Nanjing Zhengye, the relevant local authority has accepted the completion inspection of the Shengshi Riverside – Jinxiu Tianxi Phase I with a total gross floor area of approximately 11,188.62 sq.m..
7. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Portions	Usage	Gross Floor Area (sq.m.)	Site Area (sq.m.)	No. of Car Parking Space
Completed Portion	Commercial	297.95		
	Office	5,432.03		
	Carpark			633.00
	Sub-total:	<u>5,729.98</u>	<u></u>	<u>633.00</u>
Land	Residential		17,043.54	
	Sub-total:	<u></u>	<u>17,043.54</u>	<u></u>
	Total	<u>5,729.98</u>	<u>17,043.54</u>	<u>633.00</u>

8. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- a. Nanjing Zhengye holds the property rights of 669 real estate units under the "Real Estate Registration Data Query Result Certificates."
9. As at the valuation date, the Land Portion with a site area of 17,043.54sq.m. have not yet been demolished and relocated by the government, nor have they been transferred to Nanjing Zhengye and thus the title of the property had not been vested in Nanjing Zhengye. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB1,102,300,000 assuming the relevant title certificates have been obtained by Nanjing Zhengye and Nanjing Zhengye is entitled to freely transfer the property.
10. A summary of major certificates/approvals is shown as follows:
- | | | |
|----|---|---------|
| a. | State-owned Land Use Rights Grant Contract | Yes |
| b. | Real Estate Title Certificate (for land) | Portion |
| c. | Construction Land Planning Permits | Yes |
| d. | Construction Work Planning Permit | Portion |
| e. | Construction Work Commencement Permit | Portion |
| f. | Pre-sale Permit | Portion |
| g. | Construction Work Completion and Inspection Certificate/Table | Portion |
11. For the purpose of this report, the property is classified into the group as "Group I—Completed Properties held for sale in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
54. A parcel of land of Nanjing MCC Shengshi Riverside Plaza located at Plot 3, West of Jiangbian Road, Gulou District, Nanjing City, Jiangsu Province, The PRC (南京中冶盛世濱江— 南京盛世廣場)	Nanjing MCC Shengshi Riverside Plaza is situated to Plot 3, West of Jiangbian Road, Gulou District. The property comprises a parcel of land with a site area of 8,512.65 sq.m. The land use rights of the property have been granted for commercial and financial use.	As at the valuation date, the property was bare land for future development.	No commercial value

Notes:

1. Pursuant to a State-owned Land Use Right Grant Contract- No. 3201012010CR0132, and its supplemental contracts -Ning Guo Zi Rang He (2013) Bu No.32, Ning Guo Zi Rang He (2017) Bu No.32 and Ning Guo Zi Rang He (2017) Bu No.37, the land use rights of a parcel of land with a site area of approximately 8,512.65 sq.m. have been granted to Nanjing MCC Zhenghuai Real Estate Co., Ltd. (南京中冶正淮置业有限公司, “Nanjing Zhenghuai”). The total land premium was RMB781,930,000.
2. As at the valuation date, the land of the property has not yet been demolished and relocated by the government, nor has it been transferred to Nanjing Zhenghuai and thus the title of the property had not been vested in Nanjing Zhenghuai. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB713,700,000 assuming the relevant title certificates have been obtained by Nanjing Zhenghuai and Nanjing Zhenghuai is entitled to freely transfer the property.
3. A summary of major certificates/approvals is shown as follows:
 - a. State-owned Land Use Right Grant Contract Yes

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
55.	Nanjing MCC Jinxiu Heming located at South of Fengji Avenue and West of Xinhua Avenue, Yuhuatai District, Nanjing City, Jiangsu Province, The PRC (南京中冶錦繡和鳴)	Nanjing MCC Jinxiu Heming is situated to South of Fengji Avenue and West of Xinhua Avenue, Yuhuatai District. The property comprises two portions. The first portion is the unsold portion of Jinxiu Heming Phase I with a total gross floor area of approximately 33,917.43 sq.m., which was completed in 2024. The second portion comprises Jinxiu Heming Phase II which was under construction as at the valuation date (the “CIP”). As advised by the Company, upon completion, the CIP will have a total gross floor area of approximately 90,572.86 sq.m.. The details are set out in note 8. The CIP is scheduled to be completed in December 2027. The construction cost of the CIP of the property is estimated to be approximately RMB697,200,000, of which approximately RMB194,000,000 had been paid up to the Valuation Date.	As at the valuation date, the unsold portion of the property was vacant for sale, the CIP of the property was under construction.	2,251,800,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB

The land use rights of the property have been granted for a term expiring on 17 October 2091 for residential and commercial use.

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract–3201012021CR0035 dated 31 December 2021, the land use rights of a parcel of land with a site area of approximately 59,471.42 sq.m. were contracted to be granted to Nanjing MCC Minghan Real Estate Co., Ltd. (南京中冶名瀚置业有限公司, “Nanjing Minghan”) for terms of 70 years for residential land use commencing from the land delivery date. The total land premium was RMB2,510,000,000.
2. Pursuant to a Real Estate Title Certificate –Su (2021) Ning Yu Bu Dong Chang Quan Di No. 0030960, the land use rights of a parcel of land with a site area of approximately 59,471.42 sq.m. have been granted to Nanjing Minghan. The relevant land use rights have been granted to Nanjing Minghan for a term expiring on 17 October 2091 for residential and commercial use.
3. Pursuant to a Construction Land Planning Permit – Di Zi No. 320114202100015, permission towards the planning of the aforesaid land parcel with a site area of approximately 59,471.42 sq.m. has been granted to Nanjing Minghan.
4. Pursuant to a Construction Work Planning Permit – Jian Zi Di No. 320114202100280, in favour of Nanjing Minghan, Nanjing MCC Jinxiu Heming which have a total gross floor area of approximately 209,917.25 sq.m. has been approved for construction.
5. Pursuant to a Construction Work Commencement Permit – No. 320114202112011201 in favour of Nanjing Minghan, permissions by the relevant local authority have been given to commence the construction of Nanjing MCC Jinxiu Heming with a total gross floor area of approximately 209,917.25 sq.m..
6. Pursuant to 3 Pre-sales Permits –Ning Fang Xiao Di Nos. 2023100176, 2023100031 and 2022100092 in favour of Nanjing Minghan, Nanjing Minghan is entitled to sell 5 buildings of Nanjing MCC Jinxiu Heming Phase I.
7. Pursuant to a Construction Work Completion and Inspection Certificate/Table – Ning Lian Yan Yu Zi (2024) No. 042 in favour of Nanjing Minghan, the relevant local authority has accepted the completion inspection of the Nanjing MCC Jinxiu Heming Phase I with a total gross floor area of approximately 66,115.10 sq.m..

8. According to the information provided by the Group, the planned gross floor area of Nanjing MCC Jinxiu Heming Phase II is set out as below:

Portions	Usage	Gross Floor Area (sq.m.)
Completed Portion	Commercial	32,222.01
	Residential	1,695.42
	Carpark	
	Sub-total:	33,917.43
CIP	Residential	87,612.03
	Underground	2,960.83
	Sub-total:	90,572.86
	Total	124,490.29

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:

- a. Nanjing Minghan holds the property rights of 298 real estate units under the "Real Estate Registration Query Result Certificates."

10. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Construction Land Planning Permits	Yes
d.	Construction Work Planning Permit	Yes
e.	Construction Work Commencement Permit	Yes
f.	Pre-sale Permit	Portion
g.	Construction Work Completion and Inspection Certificate/Table	Portion

11. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Completed Properties held for sale in the PRC	480,100,000
Group III-Properties held under development by the Group in the PRC	1,771,700,000
Total:	2,251,800,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
56. A parcel of land located at Qilong Township, Nantong City, Jiangsu Province, The PRC (啟東土地)	The property comprises a parcel of land with a site area of approximately 63,700.00 sq.m.. As advised by the Group, the land's conditions do not meet the handover conditions and the land has not been handed over so far.	As at the valuation date, the property was not occupied by the owner.	No commercial value

Notes:

- Pursuant to the State-owned Construction Land Use Right Grant Contract – No. 3206812010 CR0008, a parcel of land with a site area of approximately 63,700 sq.m. has been agreed to be granted to Qidong MCC Tianxiang Real Estate Co., Ltd. (启東中冶天翔置业有限公司, "MCC Tianxiang") at a consideration of RMB48,820,000. MCC Tianxiang has paid the consideration in full.
- As at the valuation date, the property has not been assigned to the Group and thus the title of the property has not been vested in the Group. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB55,963,421 assuming the relevant title certificates have been obtained by MCC Tianxiang and MCC Tianxiang is entitled to freely transfer the property.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
57. Hang Zhou MCC Jin Xiu Gong Guan located at Intersection of Cuibai Road and Jiaogong Road, Xihu District, Hangzhou, Zhejiang Province, The PRC (杭州中冶錦繡公館)	Hang Zhou MCC Jin Xiu Gong Guan is a residential and commercial development situated at Intersection of Cuibai Road and Jiaogong Road, Xihu District, it was completed in 2020. The property comprises 5 commercial units, various hotel units, and 20 residential units with a total gross floor area of approximately 11,550.89 sq.m and 251 car parking spaces. The details of the property are set out as note 2. The land use rights of the property have been granted for terms expiring on 2 January 2088 for residential use and 2 January 2058 commercial use.	As at the valuation date, the 5 commercial units and various hotel units were occupied by the owner. The 20 residential units and 251 car parking spaces were vacant for sale.	440,200,000

Notes:

1. Pursuant to 22 Real Estate Title Certificates –the property with a total gross floor area of approximately 11,550.89 sq.m. is owned by Hangzhou MCC Mingjin Real Estate Development Co., Ltd. (杭州中冶名錦房地產開發有限公司, “MCC Mingjin”). The relevant land use rights have been granted to MCC Mingjin for terms expiring on 2 January 2088 for residential use and 2 January 2058 for commercial use.

2. According to the information provided by the Group, the details of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Spaces
Group I- Completed Properties held for sale in the PRC	Residential Carpark	3,402.59	251
Group V-Properties held for owner-occupation in the PRC	Commercial Hotel	1,464.25 6,684.05	
Total		11,550.89	

3. Pursuant to various Tenancy Agreements entered into between MCC Mingjin and various third parties, portions of the property with a total gross floor area of approximately 7,295.32 sq.m. were leased to various independent third parties for commercial use with the expiry dates between 8 February 2026 and 14 April 2028 and the total monthly rent receivable as at the valuation date was approximately RMB579,524 exclusive of management fees, water and electricity charges.

4. In valuing the commercial portion of the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a market monthly rent ranging from RMB71 to RMB201 per sq.m., exclusive of management fees, water and electricity charges. For the valuation, an average market yield rate of 6% was applied, considering the location and characteristics of the property.

5. A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate	Yes

6. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	342,700,000
Group V-Properties held for owner-occupation in the PRC	97,500,000
Total:	440,200,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
58. Hang Zhou MCC Jin Xiu Huaifu located at No. 827, Dongxin Road, Gongshu District, Zhejiang Province, The PRC (杭州中冶錦繡華府)	Hang Zhou MCC Jinxiu Huaifu is a residential and commercial development situated at No. 827, Dongxin Road, Gongshu District, it was completed in 2020. The property comprises various apartment units and hotel units with a total gross floor area of approximately 40,931.54 sq.m, and 508 car parking spaces and 2 storage units. The details of the property are set out as note 2. The land use rights of the property have been granted for terms expiring on 19 February 2088 for residential use and 19 February 2058 for commercial use.	As at the valuation date, the various apartment units and hotel units were occupied by the owner. The 508 car parking spaces and 2 storage units were vacant for sale.	512,300,000

Notes:

- Pursuant to 2 Real Estate Title Certificates – Zhe (2023) Hang Zhou Bu Dong Chan Quan Di No. 0078751 and No. 0078750, the property with a total gross floor area of approximately 40,931.54 sq.m. is owned by Hangzhou MCC Mingze Real Estate Co. Ltd. (杭州中冶名澤房地產開發有限公司, “MCC Mingze”) The relevant land use rights have been granted to MCC Mingze for a term expiring on 19 February 2088 for residential use and 19 February 2058 for commercial use.

2. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Space unit and Storage unit
Group I- Completed Properties held for sale	Carpark		508
	Storage		2
Group II- Properties held for investment in the PRC	Apartment	12,240.37	
	Hotel	28,691.17	
Total		40,931.54	

3. Pursuant to various Tenancy Agreements entered into between MCC Mingze and various third parties, portions of the property with a total gross floor area of approximately 36,314.44 sq.m. are leased to various independent third parties for commercial and residential use with the expiry date on 28 February 2026 and the total monthly rent receivable as at the valuation date was approximately RMB2,619,671 exclusive of management fees, water and electricity charges
4. In valuing the commercial and residential portion of the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a market monthly rent ranging from RMB50 to RMB88 per sq.m., exclusive of management fees, water and electricity charges. For the valuation, an average market yield rate of 6% was applied, considering the location and characteristics of the property.
5. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- a. MCC Mingze holds the property rights under the "Hangzhou Real Estate Registration Information Query Records" with the registration Nos. 2025-DJZX013-055703 and 2025-DJZX013-055704.

6. A summary of major certificates/approvals is shown as follows:

- a. Real Estate Title Certificate Yes

7. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I- Completed Properties held for sale in the PRC	61,200,000
Group V-Properties held for owner-occupation in the PRC	451,100,000
Total:	512,300,000

VALUATION CERTIFICATE

No.		Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date												
					RMB												
59.	Guangzhou Yijing Gongguan located at Jiangyan Road, Haizhu District, Guangzhou City, Guangdong Province, The PRC	(廣州逸璟公館)	Guangzhou Yijing Gongguan is a residential development located at Jiangyan Road, Haizhu District, Guangzhou City. The property is a completed project comprising the unsold portion and details are set out as follows:	As at the valuation date, portions of the property with a total gross floor area of approximately 61,061.91 sq.m. was vacant for sale, whilst the remaining portion with a total gross floor area of approximately 1409.75 sq.m. was occupied by the Group for office purpose.	2,089,900,000												
			<table><thead><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr></thead><tbody><tr><td>Apartments</td><td>26,332.89</td></tr><tr><td>Villas</td><td>9,876.06</td></tr><tr><td>Commercial units</td><td>11,681.01</td></tr><tr><td>Car parking spaces</td><td>14,581.71</td></tr><tr><td>Sub-total:</td><td>62,471.67</td></tr></tbody></table>	Usage	Gross Floor Area (sq.m.)	Apartments	26,332.89	Villas	9,876.06	Commercial units	11,681.01	Car parking spaces	14,581.71	Sub-total:	62,471.67		
Usage	Gross Floor Area (sq.m.)																
Apartments	26,332.89																
Villas	9,876.06																
Commercial units	11,681.01																
Car parking spaces	14,581.71																
Sub-total:	62,471.67																
			The classification, usage and gross floor area details of the property are set out in note 2.														

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB

The land use rights of the property have been granted for terms expiring on April 20 2087 for residential use, April 20 2057 for commercial, tourism, and entertainment use, and April 20 2067 for comprehensive or other use.

Notes:

- Pursuant to 2,259 Real Estate Title Certificates, including Yue (2023) Guangzhou Shi Bu Dong Chan Quan Di No.00002512 etc. The property with a total gross floor area of approximately 63,353.76 sq.m. is owned by MCC MingJie Real Estate (Guangzhou)Co., Ltd (广州中冶名捷置业有限公司, “MCC MingJie”). The relevant land use rights have been granted to MCC MingJie for terms expire on April 20, 2087 for residential use, April 20,2057 for commercial, tourism, and entertainment use, and April 20, 2067 for comprehensive or other use.
- According to the information provided by the Group, the gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Apartment	24,923.14	
	Villa	9,876.06	
	Commercial	11,681.01	
	Carpark	14,581.71	1,168
Group V-Properties held for owner-occupation in the PRC	Apartment	1,409.75	
Total		62,471.66	1,168

3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- a. MCC MingJie holds the real estate property rights corresponding to serial numbers 1 to 1000 under the "Guangzhou Real Estate Registration Information Query Certificate" with the registration number DY202510170911357105.
 - b. MCC MingJie holds the real estate property rights corresponding to serial numbers 1 to 1000 under the "Guangzhou Real Estate Registration Information Query Certificate" with the registration number DY202510171313115822.
 - c. MCC MingJie holds the real estate property rights corresponding to serial numbers 1 to 328 under the "Guangzhou Real Estate Registration Information Query Certificate" with the registration number DY202510211657570913.
4. A summary of major certificates/approvals is shown as follows:
- a. Real Estate Title Certificate Yes
5. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date <i>RMB</i>
Group I-Completed Properties held for sale in the PRC	2,050,000,000
Group V- Properties held for owner-occupation in the PRC	39,900,000
Total:	<u>2,089,900,000</u>

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>										
60.	Guangzhou Yijing Tai located at Yijing Subdistrict, Huangpu District,, Guangzhou City, Guangdong Province, The PRC (广州逸璟台)	Guangzhou Yijing Tai is a residential development located at Yijing Subdistrict, Huangpu District, The property is a completed project comprising the unsold portion and details are set out as follows: <table><thead><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr></thead><tbody><tr><td>Villas</td><td>16,179.50</td></tr><tr><td>Commercial units</td><td>3,511.52</td></tr><tr><td>Car parking spaces</td><td>23,468.09</td></tr><tr><td>Sub-total:</td><td>43,159.11</td></tr></tbody></table> The land use rights of the property have been granted for terms expiring on September 14 2086 for residential use, September 14 2056 for commercial, and September 14 2066 for industrial or other use.	Usage	Gross Floor Area (sq.m.)	Villas	16,179.50	Commercial units	3,511.52	Car parking spaces	23,468.09	Sub-total:	43,159.11	As at the valuation date, the property was vacant for sale.	1,319,300,000
Usage	Gross Floor Area (sq.m.)													
Villas	16,179.50													
Commercial units	3,511.52													
Car parking spaces	23,468.09													
Sub-total:	43,159.11													

Notes:

1. Pursuant to 1,605 Real Estate Title Certificates, including Yue (2021) Guangzhou Shi Bu Dong Chan Quan Di No.06061115 etc. The property with a total gross floor area of approximately 42,202.17 sq.m. is owned by MCC MingHui Real Estate (Guangzhou) Co., Ltd. (廣州中冶名輝置業有限公司, “MCC MingHui”). The relevant land use rights have been granted to MCC MingHui for terms expire on September 14 2086 for residential use, September 14 2056 for commercial, and September 14 2066 for industrial or other use.

2. According to the information provided by the Group, the gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Space
Group I- Completed Properties held for sale	Villa	16,179.50	
	Commercial	3,511.52	
	Carpark	23,468.09	1,581
Total		43,159.12	1,581

3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:

- a. MCC MingHui holds the real estate property rights corresponding to serial numbers 1 to 1637 under the “Guangzhou Real Estate Registration Information Query Certificate”.

4. As at the valuation date, 63 car parking spaces with a total gross floor area of approximately 1,103.26 sq.m. had not been assigned to MCC MingHui and thus the title of the property had not been vested in MCC MingHui. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB7,200,000 assuming the relevant title certificates have been obtained by MCC MingHui and MCC MingHui is entitled to freely transfer the property.

5. A summary of major certificates/approvals is shown as follows:

- a. Real Estate Title Certificate Portion

6. For the purpose of this report, the property is classified into the following groups as “Group I-Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
61. Zhuhai MCC Port Building located at east side of Fulin Dao, south side of Hong Kong-Macau Avenue, west side of Shizimen Waterway, north side of Haojiang Road, Hengqin New District, Zhuhai City, Guangdong Province, The PRC (珠海中冶口岸大厦)	Zhuhai MCC Port Building is a complex development situated at east side of Fulin Dao, south side of Hong Kong-Macau Avenue, west side of Shizimen Waterway, north side of Haojiang Road, Heng Qin New District, Zhuhai City, Guangdong Province, the PRC. The property was completed in 2019. It comprises the unsold portion of Zhuhai MCC Port Building with a total gross floor area of approximately 73,188.19 sq.m and 714 car parking spaces. The land use rights of the property have been granted for terms expiring on 30 June 2055 for retail use, 30 June 2085 for apartment use.	As at the valuation date, The property was vacant for sale.	1,860,030,000

Notes:

1. Pursuant to 856 Real Estate Title Certificates, including Yue (2016) Zhu Hai Shi Bu Dong Chan Quan No. 0033104 etc., the property with a total gross floor area of approximately 139,367.67 sq.m. (including the property) is owned by MCC International Investment Development Co., Ltd. (中冶国际投资发展有限公司, “**MCC International Investment Development**”) The relevant land use rights have been granted to MCC International Investment Development for terms expiring on 30 June 2055 for retail use and 30 June 2085 for apartment use.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. MCC International Investment Development holds the real estate ownership of all the land and buildings registered under the Commodity Real Estate Ownership Certificate with the registration number Zhufangdi Quanzhu Zi No. 202100081.
3. As at the valuation date, 421 out of 714 car parking spaces had not been assigned to MCC International Investment Development and thus the title of these car parking spaces had not been vested in MCC International Investment Development. Therefore, we have attributed no commercial value to these car parking spaces mentioned above. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB44,550,000 assuming the relevant title certificates have been obtained by MCC International Investment Development and MCC International Investment Development is entitled to freely transfer these 421 car parking spaces.
4. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
5. For the purpose of this report, the property is classified into the group as “Group I–Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
62. Zhuhai MCC Yi Jing Gongguan located at East side of Qianshou Dao, south side of Aiqin Road, west side of Qianfu Dao, north side of Huandao North Road, Hengqin New District, Zhuhai City, Guangdong Province The PRC (珠海中冶逸璟公館)	Zhuhai MCC Yi Jing Gongguan is a residential development situated at east side of Qianshou Dao, south side of Aiqin Road, west side of Qianfu Dao, north side of Huandao North Road, Hengqin New District, Zhuhai City, Guangdong Province, the PRC. The property was completed in 2019. It comprises the unsold portion of Zhuhai MCC Yi Jing Gongguan with a total gross floor area of approximately 11,498.18 sq.m. and 1,615 car parking spaces. The land use rights of the property have been granted for a term expiring on 3 July 2087 for residential use.	As at the valuation date, The property was vacant for sale.	743,400,000

Notes:

1. Pursuant to 6 Real Estate Title Certificates, including Yue (2017) Zhu Hai Shi Bu Dong Chan Quan No. 0075051 etc., the property with a total gross floor area of approximately 103,852.65 sq.m. (including the property) is owned by Zhuhai MCC Mingheng Real Estate Co., Ltd. (珠海中冶名恒置业有限公司, “**MCC Mingheng**”). The relevant land use rights have been granted for a term on 3 July 2087 for residential use.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Mingheng holds the real estate ownership of all the land and buildings registered under the Commodity Real Estate Ownership Certificate with the registration number Zhufangdi Quanzhu Zi No. 202100081.
 - b. MCC Mingheng holds the real estate ownership of all the land and buildings registered under the Commodity Real Estate Ownership Certificate with the registration number Zhufangdi Quanzhu Zi No. 202200052.
 - c. MCC Mingheng holds the real estate ownership of Serial Numbers 1 to 30 under the Inquiry Data numbered qch202422.
3. As at the valuation date, 512 out of 1615 car parking spaces had not been assigned to MCC Mingheng and thus the title of these properties had not been vested in MCC Mingheng. Therefore, we have attributed no commercial value to these car parking spaces mentioned above. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB117,100,000 assuming the relevant title certificates have been obtained by MCC Mingheng and MCC Mingheng is entitled to freely transfer the 512 car parking spaces.
4. A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate	Yes
5. For the purpose of this report, the property is classified into the group as “Group I–Completed Properties held for sale in the PRC” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
63. Zhuhai Hengqin Headquarters Tower Phase I&II located at Xiang'ao Road Area Hengqin New Area, Zhuhai City, Guangdong Province The PRC (珠海橫琴總部大廈 一、二期)	Zhuhai Hengqin Headquarters Tower Phase I&II is located at Xiang'ao Road Area Hengqin New Area, Zhuhai. Zhuhai Hengqin Headquarters Tower Phase I is a complex development completed in 2016. The property comprises the unsold portion of offices with a total gross floor area of approximately 2,203.57 sq.m., commercial units with a total gross floor area of approximately 8,611.96 sq.m., and 417 car parking spaces with a total gross floor area of approximately 5,593.01 sq.m.	As at the valuation date, the CIP of the property in Zhuhai Hengqin Headquarters Tower Phase II was under construction.	4,190,000,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	Zhuhai Hengqin Headquarters Tower Phase II occupies a parcel of land with a site area of 65,497.22 sq.m., which is being developed into a Tower, Commercial Street and Shopping Mall with a total planned gross floor area of approximately 488,837.63 sq.m. These portions were under construction (the “CIP”) as at the valuation date. The classification, usage and gross floor area details of the property are set out in note 7.		
	The construction cost of the CIP of the property is estimated to be approximately RMB5,747,700,000.00, of which approximately RMB2,506,300,000.00 had been paid up to the Valuation Date.		
	The land use rights of the property have been granted for terms expiring on 28 December 2060 for business and financial use, expiring on 28 December 2050 for wholesale and retail use, and expiring on 28 December 2060 for accommodation and catering uses.		

Notes:

1. Pursuant to a Real Estate Title Certificate – Yue (2023) Zhuhai Shi Bu Dong Chang Quan Di No. 0219079, the land use rights of a parcel of land with a site area of approximately 80,046.95 sq.m. have been granted to Zhuhai Hengqin Headquarters Building Development Co., Ltd. (珠海橫琴總部大廈發展有限公司, “**Hengqin Headquarters Building**”) for terms expiring on 28 December 2060 for business and financial use, expiring on 28 December 2050 for wholesale and retail use, and expiring on 28 December 2060 for accommodation and catering uses.
2. Pursuant to a Construction Land Planning Permit – [2012] Zhu Heng Xin Gui Tu No. 44, permission towards the planning of the aforesaid land parcel with a total site area of approximately 80,046.95 sq.m. has been granted to Hengqin Headquarters Building.
3. Pursuant to 2 Construction Work Planning Permits – [2021] Zhu Heng Gui Hua Zi Yuan (Jian) No. 030 and [2021] Zhu Heng Gui Hua Zi Yuan (Jian) No. 031 in favour of Zhuhai Hengqin Headquarters Tower Phase II which have a total gross floor area of approximately 494,937.27 sq.m. has been approved for construction.
4. Pursuant to a Construction Work Commencement Permit – Nos.440405201811290101 in favour of Hengqin Headquarters Building, permissions by the relevant local authority have been given to commence the construction of Zhuhai Hengqin Headquarters Tower Phase II with a total gross floor area of approximately 495,803.80 sq.m..
5. Pursuant to a Pre-sales Permit–Nos.0014404052024000054 in favour of Hengqin Headquarters Building, Hengqin Headquarters Building is entitled to sell 2,242 buildings in Zhuhai Hengqin Headquarters Tower Phase II with a total gross floor area of approximately 205,633.04 sq.m..
6. Pursuant to a Construction Work Completion and Inspection Certificate/Table – No. 4404001607180101JX001 in favour of Hengqin Headquarters Building, the relevant local authority has accepted the completion inspection of Zhuhai Hengqin Headquarters Tower Phase I with a total gross floor area of approximately 107,028.98 sq.m..
7. Pursuant to 43 Real Estate Title Certificates, including Yue (2018) Zhuhai Shi Bu Dong Chan Quan Di No.0062810 etc. The property in Zhuhai Hengqin Headquarters Tower Phase I with a total gross floor area of approximately 16,182.54 sq.m. is owned by Hengqin Headquarters Building. The other completed portions have been contracted for sale but the formal assignment procedures have not yet been finalized, and as a result, we were unable to obtain the property ownership certificates for these portions.
8. According to the information provided by the Group, the gross floor area of the property is set out as below:

Group	Usage	Gross Floor Area (sq.m.)	No. of Car Parking Space
Zhuhai Hengqin Headquarters Tower Phase I	Office	2,203.57	
	Commercial	8,611.96	
	Carpark	5,593.01	417
	Sub-Total:	16,408.54	417
Zhuhai Hengqin Headquarters Tower Phase II	Office	427,894.24	
	Commercial	23,503.39	
	Shopping Mall	37,440.00	
Sub-Total		488,837.63	
Total		505,246.17	417

9. As advised by the company, various residential units with a total gross floor area of approximately 2,390.52 sq.m. of the property in Zhuhai Hengqin Headquarters Tower Phase II have been pre-sold to various third parties at a total consideration of RMB57,659,914. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
10. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- a. Pursuant to the Certificates of Real Estate Ownership provided by the target company for the properties respectively located at Room 3301, Building 2, No. 88 Xiang'ao Road; Room 3302, Building 2, No. 88 Xiang'ao Road; Room 3303, Building 2, No. 88 Xiang'ao Road; Room 3304, Building 2, No. 88 Xiang'ao Road; No. 91 Xiang'ao Road; Room 107, No. 93 Xiang'ao Road; Room 109, No. 93 Xiang'ao Road; Room 201, No. 93 Xiang'ao Road; Room 202, No. 93 Xiang'ao Road; Room 203, No. 93 Xiang'ao Road; Room 204, No. 93 Xiang'ao Road; Room 205, No. 93 Xiang'ao Road; Room 206, No. 93 Xiang'ao Road; Room 207, No. 93 Xiang'ao Road; Room 208, No. 93 Xiang'ao Road; Room 209, No. 93 Xiang'ao Road; Room 210, No. 93 Xiang'ao Road; Room 211, No. 93 Xiang'ao Road; Room 212, No. 93 Xiang'ao Road; Room 213, No. 93 Xiang'ao Road; Room 214, No. 93 Xiang'ao Road; Room 215, No. 93 Xiang'ao Road; Room 216, No. 93 Xiang'ao Road; Room 217, No. 93 Xiang'ao Road; Room 303, No. 93 Xiang'ao Road; Room 308, No. 93 Xiang'ao Road; Room 309, No. 93 Xiang'ao Road; Room 310, No. 93 Xiang'ao Road; Room 311, No. 93 Xiang'ao Road; Room 312, No. 93 Xiang'ao Road; Room 313, No. 93 Xiang'ao Road; Room 314, No. 93 Xiang'ao Road; Room 315, No. 93 Xiang'ao Road; Room 316, No. 93 Xiang'ao Road; Room 317, No. 93 Xiang'ao Road; Room 401, No. 93 Xiang'ao Road; Room 402, No. 93 Xiang'ao Road; Room 403, No. 93 Xiang'ao Road; Room 404, No. 93 Xiang'ao Road; and Room 405, No. 93 Xiang'ao Road, Hengqin Headquarters Building holds the real property ownership rights to the aforesaid properties.
 - b. Hengqin Headquarters Building holds the real estate property rights for all the land and buildings registered under the Real Estate Ownership Certificate – Yue Fang Di Quan Zheng Zhu Zi Do.0100196071 as recorded in said certificate.
11. A summary of major certificates/approvals is shown as follows:
- | | | |
|----|---|---------|
| a. | Real Estate Title Certificate (for land) | Yes |
| b. | Construction Land Planning Permits | Yes |
| c. | Construction Work Planning Permit | Yes |
| d. | Construction Work Commencement Permit | Yes |
| e. | Pre-sale Permit | Portion |
| f. | Construction Work Completion and Inspection Certificate/Table | Portion |
| g. | Real Estate Title Certificate | Portion |
12. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group I-Completed Properties held for sale in the PRC	290,000,000
Group III-Properties held under development by the Group in the PRC	3,900,000,000
Total:	<u>4,190,000,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
64. L'Aquatique located at No. 108 Castle Peak Road, Ting Kau, Tsing Lung Tau, Tsuen Wan, New Territories, Hong Kong (香港逸環龍灣項目)	L'Aquatique is a residential development situated at No. 108 Castle Peak Road, Ting Kau, Tsing Lung Tau, Tsuen Wan, New Territories, Hong Kong. L'Aquatique was completed in 2020. It comprises the unsold portion of L'Aquatique with a total gross floor area of approximately 1,484.17 sq.m. and 19 car parking spaces. The land use rights of the property have been granted for a lease term of 50 years for residential use.	As at the valuation date, The property was vacant for sale.	299,500,000

Notes:

1. The registered owner of the Property is Nan Hua International Engineering Company Limited (南华国际工程有限公司, “**Nan Hua International Engineering**”).
2. Pursuant to 32 Land Registers, including property reference No. D2608482, the relevant land use rights have been granted for a term expiring on 19 December 2063 for residential use.
3. A summary of major certificates/approvals is shown as follows:
 - a. Land Register Yes
4. For the purpose of this report, the property is classified into the group as “Group VII–Completed Properties held for sale in Hong Kong” according to the purpose for which it is held.
5. As as the valuation date, the market value of the property was HKD329,500,000 (RMB299,500,000), based on an exchange rate of HKD1.00 to RMB0.90.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
65. Hainan Sanya Minmetals International Plaza located at No. 128, Yingbin Road, Jiyang District, Sanya City, Hainan Province, The PRC (海南三亞五礦國際廣場項目)	Hainan Sanya Minmetals International Plaza is an office building complex located at No. 128, Yingbin Road, Jiyang District, Sanya City. The property was completed in 2022. It comprises the unsold portion of commercial units with a total gross floor area of approximately 1,244.27 sq.m., and office units with a total gross floor area of approximately 17,113.76 sq.m. The land use rights of the property have been granted for a term expiring on January 29 2060.	As at the valuation date, portions of the property with a total gross floor area of approximately 6,226.61 sq.m. was vacant for sale, whilst the remaining portion with a total gross floor area of approximately 12,131.42 sq.m. was occupied by the Group for office purpose.	295,700,000

Notes:

1. Pursuant to 2 Real Estate Title Certificates – Qiong (2023) Sanya Shi Bu Dong Chan Quan Di Nos. 0028146 and 0028147, the property with a total gross floor area of approximately 18,358.03 sq.m. is owned by Sanya Mcc Minglan Development Co. Ltd (三亞市中冶名瀾發展有限公司, “**Sanya Mcc Minglan**”). The relevant land use rights have been granted to Sanya Mcc Minglan for a term expiring on January 29 2060.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Sanya Mcc Minglan has obtained the ownership of the building under the aforementioned Real Estate Ownership Certificate.
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date <i>RMB</i>
Group I-Completed Properties held for sale in the PRC	97,300,000
Group V- Properties held for owner-occupation in the PRC	198,400,000
Total:	295,700,000

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
66. Baotou MCC Shijia located at South of Xiaoyuan Road, North of Xiaoyuan South Road, West of Linyin South Road, East of Railway Spur Line, Kun District, Baotou City, Inner Mongolia Autonomous Region, The PRC (包头中冶·世家)	Baotou MCC Shijia is a residential development completed in 2022. The property comprises the unsold portion of Baotou MCC Shijia with a total gross floor area of approximately 1,739.91 sq.m. and 1,950 car parking spaces. The land use rights of the property have been granted for terms expiring on 30 July 2072 and 2 August 2072 for residential use and 30 July 2052 and 2 August 2052 for commercial use.	The property was vacant for sale as at the valuation date.	13,330,000

Notes:

- Pursuant to 2 Real Estate Title Certificates (Land) – Bao Guo Yong (2012) Di Nos. 300067 and 300069, the land use rights with a site area of approximately 253,672.84 sq.m., have been granted to Baotou MCC Zhengsheng Real Estate Co. Ltd. (包头中冶正盛置業有限責任公司, “Baotou MCC Zhengsheng”) for terms expiring on 30 July 2072 and 2 August 2072 for residential use and 30 July 2052 and 2 August 2052 for commercial use.
- As advised by the company, commercial units with a total gross floor area of approximately 1,739.91 sq.m. and 51 Car parking spaces of the property have been pre-sold to various third parties at a total consideration of RMB16,252,276.10. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation. This commercial property has been sold, as at the valuation date, Baotou MCC Zhengsheng is unable to obtain the property ownership certificate for this portion of the property.
- As at the valuation date, 1,899 car parking spaces of the property had not been assigned to Baotou MCC Zhengsheng and thus the title of the property had not been vested in Baotou MCC Zhengsheng. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB111,167,000 assuming the relevant title certificates have been obtained by Baotou MCC Zhengsheng and Baotou MCC Zhengsheng is entitled to freely transfer the property.
- A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate (Land)	Yes
- For the purpose of this report, the property is classified into the group as “Group I- Completed Properties held for sale in the PRC “ according to the purpose for which it is held.

VALUATION CERTIFICATE

			Market value in existing state as at the Valuation Date <i>RMB</i>										
No.	Property	Description and tenure	Particulars of occupancy										
67.	Baotou Dexian Gongguan located at South of Qingshan Road, East of Maoming'an Road, North of Tianyi Road, Jiuyuan District, Baotou City Inner Mongolia Autonomous Region, The PRC (包頭中冶德賢公館)	Baotou Dexian Gongguan is located at Jiuyuan District, Baotou City. The property was completed in 2023 with a total gross floor area of approximately 52,322.84 sq.m. for residential, commercial use and 1,454 car parking spaces. The details of the property are set out as follows:	The property was vacant for sale as at the valuation date. 201,620,000										
		<table><tr><th>Usage</th><th>Gross Floor Area (sq.m.)</th></tr><tr><td>Residential</td><td>47,204.05</td></tr><tr><td>Commercial</td><td>7,197.82</td></tr><tr><td>Car parking spaces</td><td>(1,454 lots)</td></tr><tr><td>Sub-total:</td><td><u>52,322.84</u></td></tr></table>	Usage	Gross Floor Area (sq.m.)	Residential	47,204.05	Commercial	7,197.82	Car parking spaces	(1,454 lots)	Sub-total:	<u>52,322.84</u>	
Usage	Gross Floor Area (sq.m.)												
Residential	47,204.05												
Commercial	7,197.82												
Car parking spaces	(1,454 lots)												
Sub-total:	<u>52,322.84</u>												
		The land use rights of the property have been granted for terms expiring on 28 December 2060 for commercial and 28 December 2090 for residential use.											

Notes:

1. Pursuant to a State-owned Construction Land Use Rights Grant Contract -(Meng) G2020039 dated 1 December 2020, the land use rights of a parcel of land with a site area of approximately 92,901.98 sq.m.were contracted to be granted to MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd (中冶置業集團包頭名陽房地產開發有限公司, “**Baotou Mingyang**”) for residential and commercial use commencing from the land delivery date. The total land premium was RMB611,759,538.30.
2. Pursuant to a Real Estate Title Certificate – Meng (2021) Baotou Shi Bu Dong Chan Quan Di No. 0209162, the land use right with a site area of approximately 92,901.98 sq.m., is owned by Baotou Mingyang, the relevant land use rights have been granted to Baotou Mingyang for terms expiring on 28 December 2060 and 28 December 2090 for commercial and residential use.
3. Pursuant to a Baotou Personal Real Estate Registration Information Query Certificate- No.2025092902251. The property with a total gross floor area of approximately 52,322.84 sq.m. is owned by Baotou Mingyang.
4. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Baotou Mingyang holds the real estate property rights corresponding to serial numbers 1 to 1540 under the “Baotou Personal Real Estate Registration Information Query Certificate”.
5. As at the valuation date, 1,454 car parking spaces of the property had not been assigned to Baotou Mingyang and thus the title of the property had not been vested in Baotou Mingyang. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB57,000,000 assuming the relevant title certificates have been obtained by Baotou Mingyang and Baotou Mingyang is entitled to freely transfer the property.
6. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (Land)	Yes
c.	Baotou Personal Real Estate Registration Information Query Certificate	Yes
7. For the purpose of this report, the property is classified into the group as “Group I- Completed Properties held for sale in the PRC “ according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
68. Baotou Dexian Huafu located at South of National Highway 110, West of Yongxi Road, Jiuyuan District, Baotou City, Inner Mongolia Autonomous Region, The PRC (包頭中冶德賢華府)	Baotou Dexian Huafu is located at National Highway 110, West of Yongxi Road, Jiuyuan District. The property comprises three portions. The first portion of the property was completed in 2024 with a total gross floor area of approximately 29,569.76 sq.m. The second portion of the property are still under construction (CIP). As advised by the Group, upon completion, the CIP will have a total gross floor area of approximately 158,327.39 sq.m. The CIP is scheduled to be completed in December 2027. The classification, usage and gross floor area details of the property are set out in note 8.	As at the valuation date, the completed portion of the property was vacant for sale, the CIP portion was under Construction and the bare land portion was vacant for future development.	1,298,860,000

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
	The construction cost of the CIP of the property is estimated to be approximately RMB860,860,000, of which approximately RMB699,630,000 had been paid up to the Valuation Date.		
	The third portion was bare land with a site area of approximately 69,808.06 sq.m. for future development.		
	The land use rights of the property have been granted for terms expiring on 28 December 2060 for commercial use and 28 December 2090 for residential use.		

Notes:

1. Pursuant to two State-owned Construction Land Use Rights Grant Contracts -(Meng) 2020040 and 2020041 dated 1 December 2020, the land use rights of two parcels of land with a total site area of approximately 162,710.04 sq.m.were contracted to be granted to MCC Real Estate Group Baotou Mingyang Real Estate Development Co., Ltd (中冶置業集團包頭名陽房地產開發有限公司, “**Baotou Mingyang**”) for residential and commercial use commencing from the land delivery date. The total land premium was RMB1,078,712,490.15.
2. Pursuant to a Real Estate Title Certificate – Meng (2021) Baotou Shi Bu Dong Chan Quan Di No. 0261007, the land use rights of parcels of land with a total site area of approximately 94,005.53 sq.m. are owned by Baotou Mingyang, the relevant land use rights have been granted to Baotou Mingyang for terms expiring on 28 December 2060 and 28 December 2090 for commercial and residential use.
3. Pursuant to a Real Estate Title Certificate – Meng (2021) Baotou Shi Bu Dong Chan Quan Di No. 0035758, the land use rights of a parcel of land with a site area of approximately 69,808.06 sq.m. have been granted to Baotou Mingyang for granted terms expire on 28 December 2060 and 28 December 2090 for commercial and residential use.
4. Pursuant to a Construction Land Planning Permit – Di Zi No. 150207202000028, permission towards the planning of the aforesaid land parcel with a total site area of approximately 94,005.53 sq.m. has been granted to Baotou Mingyang.
5. Pursuant to a Construction Work Planning Permit – Jian Zi Di Dian Guan No. 150207202100009 in favour of Baotou Dexian Huaifu Project which have a total gross floor area of approximately 272,262 sq.m. (including the property) has been approved for construction.
6. Pursuant to 4 Construction Work Commencement Permits – Nos. 150201202106280101, 150201202104070101, 150201202107130101, and 150201202104070101 in favour of Baotou Mingyang, permissions by the relevant local authority have been given to commence the construction of Baotou Dexian Huaifu Project with a total gross floor area of approximately 272,092 sq.m. (including the property).
7. Pursuant to a Baotou Personal Real Estate Registration Information Query Certificate- No.2025092902251. The property with a total gross floor area of approximately 29,569.76 sq.m. is owned by Baotou Mingyang.
8. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)
Group I- Completed Properties held for sale	Residential	29,569.76
Group III-Properties held under development	Residential	92,167.82
	Commercial	5,124.69
	Apartment	9,900.35
	Car park	43,836.53
	Storage	7,298.00
Total		187,897.15

9. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
- a. Baotou Mingyang holds the real estate property rights corresponding to serial numbers 1 to 1540 under the "Baotou Personal Real Estate Registration Information Query Certificate".
10. As advised by the company, various residential units with a total gross floor area of approximately 2,834.08 sq.m. have been pre-sold to various third parties at a total consideration of RMB24,200,307. Such portions of the property have not been legally and actually transferred and therefore we have included them in our valuation.
11. A summary of major certificates/approvals is shown as follows:
- | | | |
|----|--|-----|
| a. | State-owned Construction Land Use Rights Grant Contract | Yes |
| b. | Real Estate Title Certificate (for land) | Yes |
| c. | Construction Land Planning Permits | Yes |
| d. | Construction Work Planning Permit | Yes |
| e. | Construction Work Commencement Permit | Yes |
| f. | Baotou Personal Real Estate Registration Information Query Certificate | Yes |
12. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the Valuation Date RMB
Group I-Completed Properties held for sale in the PRC	133,420,000
Group III-Properties held under development in the PRC	851,300,000
Group IV-Properties held for future development by the Group in the PRC	314,140,000
Total:	<u>1,298,860,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
69. Properties located at No.12 Fuxing Road, Haidian District, Beijing, The PRC (有色本部)	The property is an office building complex located at No. 12 Fuxing Road, Haidian District, Beijing. The property comprises eight office buildings with a total gross floor area of approximately 131,533.71 sq.m, including 410 car parking spaces. The classification, usage and gross floor area details of the property are set out in note 4. The land use rights of the property have been granted to for a term expiring on 7 September 2058 for office use.	As at the valuation date, portions of the property with a gross floor area of approximately 104,229.18 sq.m. was leased to various tenants for office uses, the other portions with a total gross floor area of approximately 1,535.39 sq.m. were vacant for rent, whilst the remaining portion with a gross floor area of approximately 25,769.14 sq.m. was occupied by the Group for office purpose.	4,036,200,000

Notes:

- Pursuant to a Real Estate Title Certificate (Land) – Jing Yang (2020) Shi Bu Dong Chan Quan Di No.0000671, the land use rights of a parcels of land with a site area of approximately 36,084.67 sq.m., have been granted to China Nonferrous Engineering Co., Ltd. (中国有色工程有限公司, “China Nonferrous”) for a term expiring on 7 September 2058 for office use.
- Pursuant to 2 Building Ownership Certificates – X Jing Fang Quan Zheng Hai Zi Di Nos.271671 and 266198, The property with a gross floor area of approximately 81,217.35 sq.m. is owned by China Nonferrous (including the property).
- Advised by the company, the Building Ownership Certificate for ENFI Tower B is being processed as usual, with a total gross floor area of 67,923.15 sq.m. The property, named Laoganban Office Building and Administrative Office Building, with a total gross floor area of 8,140.01 sq.m., has not obtained the property ownership certificate. We are conducting the valuation under the assumption that this portion of the property is free from encumbrances and restrictions.

4. According to the information provided by the Group, the planned gross floor area of the property is set out as below:

Group	Usage	GFA (sq.m.)	No. of Car Parking Space
Group II- Properties held for investment in the PRC	Office	105,764.57	
Group V- Properties held for owner-occupation in the PRC	Office	25,769.14	
Total		<u>131,533.71</u>	<u>410</u>

5. Pursuant to various Tenancy Agreements entered into between China Nonferrous and various third parties, portions of the property with a total gross floor area of approximately 104,229.18 sq.m. were leased to various independent third parties for office use with the expiry dates between 9 November 2025 and 31 May 2028. The monthly rent for ENFI Tower B ranges from RMB217 to RMB347 per sq.m., while Building A ranges from RMB145 to RMB333 per sq.m. The remaining buildings have monthly rents ranging from RMB86 to RMB145 per sq.m. exclusive of management fees, water and electricity charges.

6. In valuing the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same business district. Based on the analysis, we applied a market monthly rent of RMB248 per sq.m. for ENFI Tower B, RMB196 per sq.m. for ENFI Tower A, and RMB86 to RMB145 per sq.m. for other buildings, exclusive of management fees, water and electricity charges. For the valuation, a market yield rate of 5.5% was applied, considering the location and characteristics of the property.

7. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:

- a. China Nonferrous has obtained the building ownership certificates— X Jing Fang Quan Zheng Hai Zi Di Nos.271671 and 266198.

8. A summary of major certificates/approvals is shown as follows:

a. Real Estate Title Certificate (for land)	Yes
b. Real Estate Title Certificates	Portion

9. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date RMB
Group II- Properties held for investment in the PRC	3,282,000,000
Group V- Properties held for owner-occupation in the PRC	<u>754,200,000</u>
Total:	<u><u>4,036,200,000</u></u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
70. Properties located at No. 101, Huaxia Avenue, Advanced Manufacturing Development Zone, Mengjin District, Luoyang City, Henan Province, The PRC (洛陽中硅)	The property comprises a collection of industrial buildings and is divided into two portions. The first portion of the property has a gross floor area of approximately 122,686.49 sq.m. It contains multiple buildings and ancillary structures that were completed in stages between 2004 and 2024. The second portion of the property, which is leased to a tenant, has a gross floor area of approximately 54,330.53 sq.m. It contains multiple buildings and ancillary structures that were completed in stages between 2005 and 2010. The land use rights have been granted for terms expiring on 20 December 2051, 3 July 2053, 13 April 2056, 29 July 2059, 8 December 2071 and 28 July 2074 for industry uses respectively.	As at the valuation date, the first portion with a total gross floor area of approximately 122,686.49 sq.m. was occupied by the Group for industry purpose. The second portion with a total gross floor area of approximately 54,330.53 sq.m. were leased to a tenant for industry use.	210,710,000

Notes:

1. Pursuant to 2 State-owned Construction Land Use Rights Grant Contracts -Yu (Meng Jin) Chu Rang (2021) No.29 and Yu (Meng Jin) Chu Rang (2024)No.35 dated 28 October 2021 and 29 July 2024 respectively, the land use rights of 2 parcels of land with a total site area of approximately 275,428.43 sq.m.were contracted to be granted to Luoyang Zhonggui High-Tech Co., Ltd. (洛阳中硅高科技有限公司,"Luoyang Zhonggui") for industry use commencing from the land delivery date. The total land premium was RMB680,348,549.
2. Pursuant to 6 Real Estate Title Certificates (Land) – Yu (2022) Mengjin County Real Estate Right No. 0012912, Yu (2024) Mengjin District, Luoyang City Real Estate Right No. 0017394, Yan Guo Yong (2008) Di No. 080069, 080070 and 080071, and An Guo Yong (2010) Di No. 00130, the land use rights of 6 parcels of land, with a site area of approximately 414,589.12 sq.m., have been granted to Luoyang Zhonggui for terms expiring on 20 December 2051, 3 July 2053, 13 April 2056, 29 July 2059, 8 December 2071 and 28 July 2074 for industry uses respectively.
3. Pursuant to 30 Building Ownership Certificates, including Yanshi Real Estate Ownership Certificate (2007) Zi No. 00024373 etc., the property with a total gross floor area of approximately 59,834.20 sq.m. is owned by Luoyang Zhonggui.
4. Pursuant to a Tenancy Agreement, portion of the property with a gross floor area of approximately 54,330.53sq.m. was leased to an independent third party for industry use with expiry date on 31 December 2028, and the total monthly rent receivable as at the valuation date was approximately RMB479,542.10, exclusive of management fees, water and electricity charges.
5. In valuing the second portion of the property, we adopted the income approach, taking into account both the actual rents under the existing tenancy agreements and comparable properties within the same industrial district. Based on the analysis, we applied a market monthly rent of RMB8.1 per sq.m., exclusive of management fees, water and electricity charges. For the valuation, a market yield rate of 7.0% was applied, considering the location and characteristics of the property.
6. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. Luoyang Zhonggui has obtained the land use rights under the Real Estate Title Certificate (land) mentioned in note 2.
7. A summary of major certificates/approvals is shown as follows:

a.	State-owned Construction Land Use Rights Grant Contract	Yes
b.	Real Estate Title Certificate (for land)	Yes
c.	Real Estate Title Certificates	Portion

8. As at the valuation date, the production workshop and other ancillary facilities with a total gross floor area of approximately 117,182.82 sq.m. had not been assigned to Luoyang Zhonggui and thus the title of this portion of the property had not been vested in Luoyang Zhonggui. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of this portion of the property (approximately 117,182.82 sq.m.) as at the valuation date would be RMB359,260,000 assuming the relevant title certificates have been obtained by Luoyang Zhonggui and Luoyang Zhonggui is entitled to freely transfer the property.
9. For the purpose of this report, the property is classified into the following groups according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

Group	Market value in existing state as at the valuation date <i>RMB</i>
Group II - Properties held for investment in the PRC	36,770,000
Group V - Properties held for owner-occupation in the PRC	173,940,000
Total:	<u>210,710,000</u>

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date <i>RMB</i>
71. Properties located at Qunai Village, Xinpu Town, Xiaonan District, Xiaogan City, Hubei Province, The PRC (孝感恩菲)	The property comprises a collection of industrial buildings that were completed in various stages starting in 2022. It has 10 buildings with a total gross floor area of approximately 14,327.33 sq.m., along with various other facilities including a landfill site, pools, roads and walls. It occupied 2 parcels of land with a total site area of approximately 78,328.00sq.m. The land use rights of the property have been granted for a term expiring on 6 February 2070 for industry use.	As at the valuation date, the property is occupied by the Group as production workshop and other ancillary facilities.	68,950,000

Notes:

1. Pursuant to 2 Real Estate Title Certificates – E (2020) Xiaonan Qu Bu Dong Chan Quan Zi No. 0001501 and E (2020) Xiaonan Qu Bu Dong Chan Quan Zi No. 0001514, the land use rights for a parcel of land with a site area of approximately 78,328.00 sq.m. and a gross floor area of 14,327.33 sq.m. have been granted to Enfei Urban Solid Waste (Xiaogan) Co., Ltd. (恩菲城市固废(孝感)有限公司, “Xiaogan Enfei”) for a term expiring on 6 February 2070 for industry use.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
 - a. Xiaogan Enfei has obtained the Real Estate Title Certificate of the property.
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificates Yes
4. In the valuation of this property, we have attributed no commercial value to the structures of the property mentioned above whose proper title certificates have not been obtained. However, for reference purpose, we are of the opinion that the depreciated replacement cost of them (excluding land element) as at the Valuation Date would be RMB31,594,000 assuming all relevant title certificates have been obtained and they could be freely transferred.
5. For the purpose of this report, the property is classified into the group as “Group V- Properties held for owner-occupation in the PRC “ according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
72. 3 office units of Sunshine Mansion, No. 98 Shigu Road, Qinhuai District, Nanjing City, Jiangsu Province, The PRC (置業本部南京)	The property comprises 3 office units with a total gross floor area of approximately 2,198.37 sq.m. of Sunshine Mansion, which was completed in 2007.	As at the valuation date, the property was occupied as an office.	22,000,000

Notes:

1. Pursuant to 3 Real Estate Title Certificates, 3 office units with a total gross floor area of approximately 2,198.37 sq.m. is owned by MCC Real Estate.
2. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
 - a. MCC Real Estate holds the real estate property rights corresponding to serial numbers 1 to 656 under the "Real Estate Registration Information Query Result Notification".
3. A summary of major certificates/approvals is shown as follows:
 - a. Real Estate Title Certificate Yes
4. For the purpose of this report, the property is classified into the group as "Group V—Properties held for owner-occupation by the Group in the PRC" according to the purpose for which it is held.

VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
73.	Properties located at lot 8, section 22, Geregere Street, and lot 2, Section 87, Boroko, Port Moresby, Papua New Guinea (巴布亞新幾內亞莫爾斯比港莫辦公寓)	The properties comprise two portions. The first portion consists of 5 apartment units situated at Lot 8, Section 22 for residential use. It has a total gross floor area of approximately 700 sq.m. and a total land area of 0.1556 hectares. The second portion is an apartment situated at Lot 2, Section 87 for residential use. It has a total gross floor area of approximately 200 square meters and a total land area of 38.3 perches. The lease term for the land under the first portion is 99 years, from 14 April 1988 to 13 April 2087. The lease term for the land under the second portion is also 99 years, from 27 January 1966 to 26 January 2065.	As at the valuation date, the property located at lot 8, section 22 was occupied by the Group for self-use, the property located at lot 2, section 87 was subject to legal proceedings.	6,400,000

Notes:

- Pursuant to the provided Asset Transfer Contract and the Land Lease Agreements for the two parcels of land, Ramu Nico Management (MCC) Ltd. (瑞木鎳鈷管理(中冶)有限公司, “Ramu Nico”) purchased two apartment properties in Port Moresby, Papua New Guinea in 2006. The land lease of the first portion is registered under Volume 112, Folio 108, and the land lease of the second portion is registered under Volume 10 Folio 2482.
- As at the valuation date, the second portion of the property located at Lot 2, Section 87 was fraudulently sold and subject to legal proceedings. Therefore, we have attributed no commercial value to the property. However, for reference purpose, we are of the opinion that the market value of the property as at the valuation date would be RMB1,700,000 assuming the relevant title certificates have been obtained by Ramu Nico and Ramu Nico is entitled to freely transfer the property.
- As at the valuation date, the market value of the property was PGK 3,816,384 (RMB6,400,000), based on an exchange rate of PGK 1.00 to RMB1.67698.
- For the purpose of this report, the property is classified into the group as “Group VIII–Properties held for owner-occupation by the Group in Papua New Guinea” according to the purpose for which it is held.

VALUATION CERTIFICATE

No. Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the Valuation Date RMB
74. Property located at lot 5&6, section 26 and lot 7, Section 26, Madang Town, Papua New Guinea (巴布亚新几内亚 Madang Inn公寓)	The property comprises the Madang Inn apartments in Madang, Papua New Guinea, with a total area of approximately 887 square meters, along with movable structures covering about 217 square meters.	As at the valuation date, the property was occupied by the Group for self-use.	2,970,142

Notes:

1. Pursuant to the provided Offer to Sell and the Land Lease Agreements, Ramu Nico purchased the properties in Madang Town, Papua New Guinea in 2005.
2. As as the valuation date, the market value of the property was PGK 1,771,126 (RMB2,970,142), based on an exchange rate of PGK 1.00 to RMB1.67698.
3. For the purpose of this report, the property is classified into the group as “Group VIII–Properties held for owner-occupation by the Group in Papua New Guinea” according to the purpose for which it is held.



大信會計師事務所

北京市海淀區知春路1號

學院國際大廈22層2206

郵編100083

WUYIGE Certified Public Accountants. LLP

Room 2206 22/F, Xueyuan International Tower

No.1 Zhichun Road, Haidian Dist.

Beijing, China, 100083

電話Telephone: +86 (10) 82330558

傳真Fax: +86 (10) 82327668

網址Internet: www.daxincpa.com.cn

Discounted future estimated cash flow report for earnings forecast

TO METALLURGICAL CORPORATION OF CHINA LTD. (THE “COMPANY”):

We have examined the calculations of the discounted future estimated cash flows on which the valuation prepared by SinoValue Assets Appraisal Co., Ltd. Dated 3 December 2025 in respect of the entire equity interests in MCC Real Estate Group Co., Ltd., MCC Tongsin Resources Limited (hereinafter referred to as “the Target company”), as at 31 July 2025 (hereinafter referred to as the “Valuation”) is based. The Valuation, prepared in connection with the Target Companies is set out in the circular of Metallurgical Corporation of China Ltd. dated 12 December 2025 (hereinafter referred to as the “Circular”). The Valuation which is based on the discounted future estimated cash flows are regarded as profit forecasts under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Listing Rules”).

Directors’ Responsibilities

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

Reporting Accountant’s Independence and Quality Management

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

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

Reporting Accountant's Responsibilities

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

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

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

Opinion

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

WUYIGE Certified Public Accountants. LLP
Chinese Certified Public Accountant Li Zhijun
China Beijing
Date: 12 December 2025



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

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

12 December 2025

Dear Sirs,

We refer to the Valuation Reports dated 3 December 2025 (the “**Valuation Reports**”) in respect of the valuation of the entire equity interest of MCC Real Estate Group Co., Ltd. (“**MCC Real Estate**”) and MCC Tongsin Resources Limited (“**MCC Tongsin Resources**”) as at 31 July 2025, prepared by Sinovalve Assets Appraisal Co., Ltd. (“**Sinovalve**”). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as defined in the circular of Metallurgical Corporation of China Ltd. (the “**Company**”) dated 12 December 2025 in connection with, among others, VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO DISPOSAL OF TARGET EQUITY INTERESTS IN THE TARGET COMPANIES AND ASSIGNMENT OF THE DEBTS (the “**Circular**”).

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

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

We are not reporting on the arithmetical calculations of the Forecasts and the adoption of the accounting policies thereof, and our work does not constitute any valuation or fairness opinion of the shareholders' equity of MCC Real Estate and MCC Tongsin Resources. We have assumed, without independent verification, the accuracy of the parameters stated in the Valuation Reports. We have assumed that all information, materials, opinions and/or representations supplied, including all information, materials,

opinions and/or representations referred to or contained in the Circular, for which the Directors are solely responsible, were true, accurate, complete and not misleading at the time they were supplied or made and continued to be so up to the date of this letter and that no material fact or information has been omitted from the information and materials supplied. No representation or warranty, expressed or implied, is made by us on the accuracy, truth or completeness of such information, materials, opinions and/or representations. Circumstances could have developed or could develop in the future that, if known to us at the time of this letter, would have altered our assessment and review. In addition, the qualifications, bases and assumptions adopted by Sinovalve are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Sinovalve and the Company.

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

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

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

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

* *For identification purposes only*

1. 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 any 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 Appendix C3 to the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

2. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective 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.

3. OTHER ARRANGEMENTS INVOLVING DIRECTORS**As at the Latest Practicable Date:**

- (i) 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
- (ii) none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2024 (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.

4. 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).

5. MATERIAL LITIGATION

As of the Latest Practicable Date, none of the members of the Group was engaged in any litigation or claims of material importance and no litigation or claims of material importance were pending or threatened against any members of the Group.

6. MATERIAL CONTRACTS

Save for the Sale and Purchase Agreements, neither the Company nor any member of the Group has entered into any material contracts (not being contracts entered into in the ordinary course of business of the Group) within two years immediately preceding the Latest Practicable Date.

7. EXPERTS' QUALIFICATION AND CONSENTS

Name	Qualification
Asia-Pacific Consulting and Appraisal Limited	Property Valuer
SinoValue Assets Appraisal Co., Ltd* (中水致遠資產評估有限公司)	Independent Professional Valuer
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
Gram Capital Limited	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
WUYIGE Certified Public Accountants. LLP* (大信會計師事務所(特殊普通合伙))	Certified Public Accountant

As at the Latest Practicable Date, each of the experts above (a) did not own any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (b) did not have any direct or indirect interest in any assets which had been acquired, or disposed

of by, or leased to any member of the Group, or were proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up.

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

8. CORPORATE INFORMATION OF THE COMPANY

Registered address of the Company	28 Shuguang Xili Chaoyang District Beijing, the PRC
Business address of the Company in the PRC	MCC Tower 28 Shuguang Xili Chaoyang District Beijing, the PRC
Place of business of the Company in Hong Kong	Room 3205 32/F Office Tower Convention Plaza 1 Harbour Road Wanchai, Hong Kong
H Share registrar and transfer office	Computershare Hong Kong Investor Services Limited 17M Floor Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong
Joint Company Secretaries	Mr. Chang Qi Ms. Ng Sau Mei

9. MISCELLANEOUS

The Chinese text of this circular shall prevail over the English text in case of any inconsistency.

10. DOCUMENTS ON DISPLAY

Copies of the following document will be available on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.mccchina.com) during the period of 14 days from the date of this circular:

- (a) the First Sale and Purchase Agreement;
- (b) the Second Sale and Purchase Agreement;
- (c) the financial information of the Target Companies for the three years ended 31 December 2022, 2023 and 2024 and the seven months ended 31 July 2025, the text of which is set out in Appendix II-A to II-F to this circular;
- (d) the unaudited pro forma information of the Remaining Group, the text of which is set out in Appendix III to this circular;
- (e) the valuation reports issued by the Valuer, the text of which is set out in Appendix V-A to V-J to this circular;
- (f) the property valuation report issued by the Property Valuer, the text of which is set out in Appendix VI to this circular;
- (g) the report on discounted future estimated cash flows issued by the Reporting Accountant, the text of which is set out in Appendix VII to this circular;
- (h) the letter on profit forecast issued by the Financial Adviser, the text of which is set out in Appendix VIII to this circular;
- (i) the written consents referred to in the paragraph headed “7. Experts’ Qualification and Consents” in this appendix;
- (j) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out in this circular;
- (k) the letter from the Independent Financial Adviser, the text of which is set out in this circular; and
- (l) this circular.

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 FIRST EXTRAORDINARY GENERAL MEETING OF 2025

NOTICE IS HEREBY GIVEN that the 2025 first extraordinary general meeting (the “**EGM**”) of Metallurgical Corporation of China Ltd.* (the “**Company**”) will be held at Beijing Metropark International Hotel, 2 East North Third Ring Road, Chaoyang District, Beijing, the People's Republic of China on Monday, 29 December 2025 at 2 p.m. to consider and, if thought fit, pass (with or without amendments) the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the very substantial disposal and connected transaction in relation to disposal of Target Equity Interests in the Target Companies and assignment of the Debts.

To consider and approve: (a) the Company (as vendor) having agreed to sell to Minmetals Land Holdings Co., Ltd. (as purchaser) the entire equity interest of MCC Real Estate Group Co., Ltd. (“**MCC Real Estate**”) and having agreed to assign to Minmetals Land Holdings Co., Ltd. the outstanding debts owned by MCC Real Estate to the Company and the arrangements contemplated thereunder; (b) the Company (as a vendor) and China Huaye Group Co., Ltd. (as a vendor) having agreed to sell to China Minmetals Corporation (as purchaser) and/or its designated entity(ies) (i) the entire equity interest of each of China Non-ferrous Engineering Co., Ltd., MCC Tongsin Resources Limited, MCC Huaye Duddar Mining Company (Pvt) Limited and Ramu NiCo Management (MCC) Limited, and (ii) the 67.02% equity interest in MCC-JJJ Mining Development Company Limited and the arrangements contemplated thereunder; and (c) The Company and China Huaye Group Co., Ltd. having entered into and executed the aforementioned sale and purchase agreements; and (d) to authorise the chairman of the board of directors of the Company to do all such acts and things, to sign and execute all other relevant documents and to take such steps which, in his/her/their opinion, are necessary to give effect to or implement the aforementioned sale and purchase agreements and the transactions contemplated thereunder, and to agree to such variation, amendments or waiver or matters relating thereto as are, in his/her/their opinion, in the interest of the Company and its shareholders as a whole.

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025

2. To consider and approve the connected transactions in relation to the connected guarantees arising from the Disposals.

To consider and approve: (a) pursuant to the existing guarantee agreement dated 15 May 2024 entered into between the Company, Beijing Zhongshun Jinda Trading Co., Ltd.* (北京中順金達貿易有限公司) (“**Zhongshun Jinda**”) and Shandong International Trust Co., Ltd.* (山東省國際信託股份有限公司) (“**Shandong Trust**”), the Company shall continue to provide guarantee to Shandong Trust for the existing loan obtained by Zhongshun Jinda from Shandong Trust; and (b) the counter-guarantee agreement entered into between the Company with China Minmetals or its designated entity, which shall remain in effect until the Company’s obligations under the aforesaid guarantee agreement expires or are released.

3. To consider and approve the change of the use of the A Share proceeds.
4. To consider and approve the change of the use of the H Share proceeds.

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

Beijing, the PRC
12 December 2025

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025

Notes:

- (1) In order to ascertain the Shareholders who will be qualified to attend and vote at the EGM, any H Shareholders, whose names appear on the Company's register of members at the close of business on Wednesday, 24 December 2025, are entitled to attend and vote at the EGM after completing the registration procedures for attending and voting at the EGM. All completed transfer documents together with the relevant share certificate(s) must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited no later than 4:30 p.m. on Wednesday, 24 December 2025 for registration.
- (2) A shareholder entitled to attend and vote at the EGM 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 EGM (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 EGM.
- (6) For information purpose only, holders of H Shares who intend to attend the EGM in person or by proxy shall return the reply slip to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, and for holders of A Shares of the Company, to the office of the Board of the Company, on or before Sunday, 28 December 2025 by hand, by post or by fax.
- (7) 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
- (8) 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

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2025

- (9) 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 EGM, and this notice shall be deemed to be given to all joint holders of such share.
- (10) The EGM is expected to take less than two hours. Shareholders (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the EGM shall produce their identity documents.
- (11) References to time and dates in this notice are to Hong Kong time and dates.

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

* *For identification purpose only*