

## Underwriting Agreement

relating to a rights issue on the basis of two (2) new shares for every five (5) existing shares in MMG Limited

Dated 3 June 2024

**MMG LIMITED**

AND

**CITIGROUP GLOBAL MARKETS LIMITED**

AND

**MACQUARIE CAPITAL LIMITED**

AND

**MERRILL LYNCH (ASIA PACIFIC) LIMITED**

AND

**HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED**

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**THIS AGREEMENT** is made on 3 June 2024

**BETWEEN:**

- (1) **MMG LIMITED**, a company incorporated under the laws of Hong Kong with limited liability whose registered address is at Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong (the “**Company**”);
- (2) **CITIGROUP GLOBAL MARKETS LIMITED**, a company incorporated under the laws of the United Kingdom with limited liability whose registered address is at Citigroup Centre, Canada Square, Canary Wharf, London, United Kingdom (the “**Sole Global Coordinator**” or “**Citi**”);
- (3) **MACQUARIE CAPITAL LIMITED**, a company incorporated under the laws of Hong Kong with limited liability whose registered address is at Level 22, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong (“**Macquarie**”);
- (4) **MERRILL LYNCH (ASIA PACIFIC) LIMITED**, a company incorporated under the laws of Hong Kong whose registered address is at 55/F, Cheung Kong Centre, 2 Queen’s Road Central, Central, Hong Kong (“**MLAP**”); and
- (5) **HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED**, a company incorporated under the laws of Hong Kong with limited liability whose registered address is at 62/F., The Center, 99 Queen’s Road, Central, Hong Kong (“**Huatai**”, and, together with Citi, Macquarie and MLAP, the “**Underwriters**” and each of them an “**Underwriter**”).

**WHEREAS:**

- (A) The Company intends to offer by way of rights the Rights Shares at the Subscription Price to Shareholders on the basis of two (2) Rights Shares for every five (5) Shares held on the Record Date, and otherwise on the terms to be set out in the Prospectus Documents.
- (B) The Committed Shareholder is the beneficial owner of the number of Shares set out in Column 2 of Schedule 1.
- (C) The Committed Shareholder has irrevocably undertaken to accept and subscribe for, or to procure acceptance and subscription for (as the case may be), its full entitlement of Rights Shares pursuant to the Rights Issue which, as at the date of this Agreement, is as set out in Column 3 of Schedule 1.
- (D) The Sole Global Coordinator has been appointed to act as the sole global coordinator of the Rights Issue and has agreed to perform the role of sole global coordinator on the terms and subject to the conditions set out in this Agreement.
- (E) The Underwriters have been appointed to act as the joint underwriters of the Rights Issue and have severally, and not jointly or jointly and severally, agreed to underwrite the Underwritten Shares on the terms and subject to the conditions set out in this Agreement.
- (F) The Company will apply for the grant of listing of the Rights Shares (nil-paid and fully-paid) and the permission to deal in the Rights Shares (nil-paid and fully-paid) on the Main Board of the Stock Exchange.
- (G) The Nil Paid Rights and the Rights Shares will be offered, without being registered under the Securities Act, outside the United States in offshore transactions within the meaning of and pursuant to Regulation S. Any Rights Shares not taken up will be offered, without being registered under the Securities Act, by the Underwriters only to institutional investors outside

the United States in offshore transactions within the meaning of and pursuant to Regulation S.

**NOW IT IS HEREBY AGREED** as follows:

## **1 DEFINITIONS**

### **1.1** In this Agreement and the Recitals:

**“Acceptance Date”** means the last date for acceptance of and payment for the Rights Shares, and application for and payment for excess Rights Shares, as will be set out in the Prospectus (expected to be 5 July 2024), or such later date as the Company and the Underwriters may agree in writing;

**“Accepted”** has the meaning given in Clause 9.1;

**“Actions”** has the meaning given to it in Clause 16.1;

**“Announcement”** means the announcement on or around the date of this Agreement in the agreed form containing, among other things, details of the proposed Rights Issue which is proposed to be released by the Company and published on the Stock Exchange’s website;

**“Anti-Bribery Laws”** has the meaning given to it in Clause 15.1.32;

**“Anti-Money Laundering Laws”** has the meaning given to it in Clause 15.1.31;

**“Approvals”** has the meaning given to it in Clause 15.1.3;

**“Beneficial Owners”** means beneficial owners of Shares whose Shares are registered in the name of a registered Shareholder as shown in the register of members of the Company;

**“Board”** means the board of Directors of the Company or a duly constituted and authorised committee thereof;

**“Business Day”** means any day (other than a Saturday or Sunday or public holiday, or a day on which a tropical cyclone warning signal number 8 or above, a “black” rainstorm warning signal and/or extreme conditions is in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.) on which licensed banks in Hong Kong are open for normal banking business and the Stock Exchange is open for the business of dealing in securities;

**“CCASS”** means the Central Clearing and Settlement System established and operated by HKSCC;

**“Committed Shareholder”** means China Minmetals H.K. (Holdings) Limited, a company incorporated under the laws of Hong Kong with limited liability and is the beneficial owner of the number of Shares set out in Column 2 of Schedule 1;

**“Companies Ordinance”** means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended or supplemented from time to time;

**“Companies (WUMP) Ordinance”** means the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended or supplemented from time to time;

**“Company Nominee”** has the meaning given to it in Clause 6.1(a);

**“connected person”** has the meaning given to it in Rule 1.01 of the Listing Rules;

“**DDQ**” means the due diligence questionnaire provided to and completed by the Company and dated 23 May 2024 in connection with the due diligence exercise conducted in relation to the Rights Issue, which is in the agreed form;

“**Directors**” means the directors of the Company from time to time, and “**Director**” shall be construed accordingly;

“**Environmental Laws**” has the meaning given to it in Clause 15.1.25;

“**Excess Application Form**” means the excess application form in the agreed form to be issued to Qualifying Shareholders (other than the PRC Stock Connect Investors) in respect of applications for excess Rights Shares in connection with the Rights Issue;

“**Excluded Jurisdiction**” means any jurisdiction outside Hong Kong in respect of which the Directors determine, in accordance with Rule 13.36(2)(a) of the Listing Rules, that it is necessary or expedient not to offer Rights Shares to Shareholders in such jurisdiction on account either of the legal restrictions under the laws of that jurisdiction or the requirements of a relevant regulatory body or stock exchange in that jurisdiction;

“**Group**” means the Company and its subsidiaries;

“**HK\$**” means Hong Kong dollars, the lawful currency of Hong Kong;

“**HKFRS**” means Hong Kong Financial Reporting Standards;

“**HKSCC**” means Hong Kong Securities Clearing Company Limited;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the PRC;

“**indemnified party**” has the meaning given to it in Clause 16.1;

“**Investor Presentation**” means any investor presentation materials published, or used at any investor meetings, by the Company in connection with the Rights Issue;

“**Irrevocable Undertaking**” means the irrevocable undertaking in the form set out in Exhibit B given by the Committed Shareholder pursuant to which the Committed Shareholder irrevocably undertakes to accept and subscribe for, or procure the acceptance and subscription for (as the case may be), its entitlement of Rights Shares in respect of its existing holding as set out in Schedule 1;

“**JV Entity**” has the meaning given to it in Clause 15.1.33;

“**Khoemacau Companies**” means Khoemacau Copper Mining Proprietary Limited, Discovery Copper Botswana Proprietary Limited, Hana Mining Limited and MMG Africa Company Limited;

“**Las Bambas Companies**” means MMG Netherlands BV, MMG Switzerland AG, MMG Peru SAC, MMG Chile Services SA, Minera Las Bambas SA and MMG South America Management Co Ltd;

“**Latest Time for Acceptance**” means 4:00 p.m. on the Acceptance Date, being the latest time for acceptance of the offer of and payment for the Rights Shares traded on the Stock Exchange as to be described in the Prospectus, or such later time as the Company and the Underwriters may agree in writing, provided that if there is a “black” rainstorm warning, a tropical cyclone warning signal number 8 or above and/or extreme conditions in force in Hong Kong: (i) at any local time before 12:00 noon and no longer in force after 12:00 noon on such a day, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same

Business Day; and (ii) on such day at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.;

**"Latest Time for Lodgement"** means 4:30 p.m. on 12 June 2024, being the Latest time for lodging transfers of Shares and related documents to qualify for the Rights Issue;

**"Latest Time for Termination"** means 4:00 p.m. on 11 July 2024, or such later date as the Company and the Underwriters may agree in writing;

**"Listing"** means the listing of the Rights Shares (nil-paid and fully-paid) and permission to deal in the Rights Shares (nil-paid and fully-paid) on the Main Board of the Stock Exchange;

**"Listing Approval"** means the grant of permission for the listing of the Rights Shares (nil paid and fully paid) on the Main Board of the Stock Exchange;

**"Listing Date"** means 16 July 2024, or such other date that the Rights Shares are listed on the Main Board of the Stock Exchange and dealing in the fully-paid Rights Shares on the Stock Exchange begins;

**"Listing Rules"** means The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

**"Losses"** has the meaning given to it in Clause 16.1 and **"Loss"** shall be construed accordingly;

**"Material Adverse Effect"** means a material adverse effect on the financial condition, prospects, results of operations, general affairs or properties of the Company and any such other member of the Group taken as a whole, or an adverse effect on the ability of the Company to perform its obligations under this Agreement or in connection with the Rights Issue, which are material in the context of the Rights Issue;

**"New Rules for Overseas Listing"** means the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境内企业境外发行证券和上市管理试行办法) issued by the China Securities Regulatory Commission;

**"Nil Paid Rights"** means the Rights Shares in nil-paid form provisionally allotted to Qualifying Shareholders in connection with the Rights Issue;

**"Non-Qualifying Shareholders"** means those Shareholder(s) whose registered address(es) as shown on the register of members of the Company at 5:00 p.m. on the Record Date is/are in any of the Excluded Jurisdictions and Shareholder(s) and Beneficial Owner(s) of Shares who is/are otherwise known to the Company to be resident in any of the Excluded Jurisdictions;

**"Offer Documents"** has the meaning given to it in Clause 16.1(a);

**"Performance Awards"** means the performance awards granted by the Company to the eligible participants pursuant to the Long-Term Incentive Equity Plan on 21 June 2021 and 21 April 2022;

**"Person"** has the meaning given to it in Clause 15.1.33(i);

**"PRC"** means the People's Republic of China, which for the purposes of this Agreement does not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

**“PRC Stock Connect Investor(s)”** means the PRC southbound trading investor(s) through Shanghai-Hong Kong Stock Connect who hold the Shares through China Securities Depository and Clearing Corporation Limited as nominee;

**“Prospectus”** means the Rights Issue prospectus in the agreed form to be despatched to the Qualifying Shareholders and, for information only and to the extent legally permitted, to the Non-Qualifying Shareholders (other than Non-Qualifying Shareholders within the United States), and shall include any supplementary prospectus required to be published (as the context permits);

**“Prospectus Date”** means the date of issue of the Prospectus;

**“Prospectus Documents”** means the Prospectus, Provisional Allotment Letter and Excess Application Form;

**“Provisional Allotment Letter”** means the provisional allotment letter in respect of Rights Shares to be issued to Qualifying Shareholders in the agreed form;

**“Qualifying Shareholders”** means Shareholders whose names appear on the register of members of the Company at 5:00 p.m. on the Record Date who are not Non-Qualifying Shareholders;

**“Record Date”** means 19 June 2024 (or such other date as the Company and the Underwriters may agree as the record date for determining entitlements to the Rights Shares);

**“Registrar”** means Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong share registrar, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong;

**“Regulation S”** means Regulation S under the Securities Act;

**“Respective Commitment”** has the meaning given to it in Clause 10.2;

**“Rights Issue”** means the proposed issue of the Rights Shares by way of rights to Qualifying Shareholders at the Subscription Price on the terms and subject to the conditions to be set out in the Prospectus Documents;

**“Rights Share(s)”** means the new Share(s), being 3,465,432,486 Shares proposed to be allocated and issued under the Rights Issue in the proportion of two (2) Rights Shares for every five (5) existing Shares held at 5:00 p.m. on the Record Date (rounded down to the nearest one Share) and which shall become tradeable on the Stock Exchange;

**“Sanctions”** has the meaning given to it under Clause 15.1.33(i);

**“Securities Act”** means the U.S. Securities Act of 1933, as amended or supplemented from time to time;

**“SFC”** means the Securities and Futures Commission of Hong Kong;

**“SFO”** means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time;

**“Shareholders”** means holders of Shares;

**“Shares”** means ordinary shares in the share capital of the Company;



“**Specified Event**” means an event occurring or matter arising on or after the date of this Agreement and prior to the Latest Time for Termination which, if it had occurred or arisen before the date of this Agreement or before any of the dates or before any time on which the representations, warranties and undertakings are deemed to be given pursuant to this Agreement, would have rendered any of the representations or warranties contained in Clause 15.1 untrue, incorrect, incomplete or misleading in any respect or any of the undertakings contained in Clause 15.1 being breached in any respect;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**Subscription Price**” means the issue price of HK\$2.62 per Share at which the Rights Shares are proposed to be offered for subscription;

“**subsidiary**” has the same meaning as in Part I – Division 4 of the Companies Ordinance, and “**subsidiaries**” shall be construed accordingly;

“**taken up**” has the meaning given to it in Clause 9.2;

“**Target Company**” means Cuprous Capital Ltd.;

“**Target Company Group**” means the Target Company and its subsidiaries;

“**Time of Sale**” means 7:00 a.m. on the second Business Day following the Acceptance Date or such other time falling within the period commencing on the second Business Day following the Acceptance Date and ending on the third Business Day following the Acceptance Date, as is notified to the Company by the Underwriters as the time of sale with respect to its endeavours to procure subscribers for the Underwritten Shares not taken up;

“**Underwritten Shares**” means such number of Rights Shares as is equal to the total number of Rights Shares less the aggregate number of the Rights Shares which the Committed Shareholder has irrevocably undertaken to accept, or procure to accept (as the case may be), pursuant to the Irrevocable Undertaking;

“**U.S.**” or “**United States**” means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;

“**Verification Notes**” means the materials in the agreed form confirming the accuracy of certain information to be contained in the Announcement and the Prospectus;

“**Working Capital Memorandum**” means the working capital forecast memorandum in the agreed form produced by the Board and dated the Prospectus Date in connection with the forecast of the working capital of the Group; and

“**%**” means per cent..

- 1.2 References to the singular number include references to the plural and vice versa and references to one gender include every gender.
- 1.3 Any reference to a document being “**in the agreed form**” means in the form of the draft signed for identification on behalf of the Company and the Underwriters with such alterations (if any) as may be agreed between the Company and the Underwriters, or (in the case of the Announcement, the Prospectus Documents and the Verification Notes) in such form as may following the date of this Agreement be agreed between the Company and the Underwriters.
- 1.4 References to Recitals, Clauses and Schedules are to recitals, clauses of and schedules to this Agreement.

- 1.5** Reference to time in this Agreement shall be references to Hong Kong time unless otherwise stated.
- 1.6** Unless otherwise expressly provided for in this Agreement, any agreement, consent, waiver, notice or opinion stated in this Agreement as required of the Underwriters, whether in writing or not, shall be given by or on behalf of each Underwriter separately.

## **2 CONDITIONS**

**2.1** The obligations of the Underwriters under Clause 10 are conditional upon:

- (a) Listing Approval having been granted (subject only to allotment and despatch of the appropriate documents of title) by the Stock Exchange by no later than: (i) in the case of the Nil Paid Rights, the Business Day before the commencement of trading of the Nil Paid Rights on the Stock Exchange; and (ii) in the case of the Rights Shares in their fully-paid form, the Latest Time for Termination, and, in each case, and such permission not being withdrawn, revoked or amended prior to the Latest Time for Termination;
- (b) all relevant consents and approvals being obtained from the regulatory authorities, including the Stock Exchange and the SFC, as the case may require, in connection with the Rights Issue by the relevant time that each consent and approval is required, including without limitation, clearance of the timetable for the Rights Issue by the Stock Exchange;
- (c) the Stock Exchange issuing a certificate authorising registration of the Prospectus with the Registrar of Companies in Hong Kong under section 38D of the Companies (WUMP) Ordinance not later than the Business Day prior to the Prospectus Date (or such later time and/or date as the Company and the Underwriters may agree in writing) and, following registration of the Prospectus, a copy of the Prospectus having been submitted to the Stock Exchange for publication on its website not later than the Prospectus Date (or such later time and/or date as the Company and the Underwriters may agree in writing);
- (d) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong, respectively, not later than the Business Day prior to the Prospectus Date (or such later time and/or date as the Company and the Underwriters may agree in writing) of each of the Prospectus Documents (and any other documents required to be submitted by the Stock Exchange or any applicable law or regulation), and the Registrar of Companies in Hong Kong issuing a confirmation of registration letter not later than the Business Day prior to the Prospectus Date (or such later time and/or date as the Company and the Underwriters may agree in writing);
- (e) the despatch, on the date of the Prospectus, of copies of the Prospectus Documents to the Qualifying Shareholders and a copy of the Prospectus having been submitted to the Stock Exchange for publication on its website not later than the Prospectus Date (or such later time and/or date as the Company and the Underwriters may agree in writing);
- (f) each condition to enable the Nil Paid Rights to be admitted as eligible securities for deposit, clearance and settlement in CCASS being satisfied on or before the Business Day prior to the commencement of trading of the Nil Paid Rights and no

notification having been received by the Company from HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused;

- (g) the representations and warranties referred to in Clause 15 being true and accurate and not misleading in any respect and no such undertakings being breached on and as of the date of this Agreement and at any time before the Latest Time for Termination, as though they had been given and made at such time by reference to the facts and circumstances then subsisting, and no matter having arisen which has given rise to, or would reasonably be expected to give rise to, any breach of such warranties, representations or undertakings or claim or action in respect of such warranties, representations or undertakings on and as of the date of this Agreement or at any time before the Latest Time for Termination;
- (h) compliance with and performance of all the obligations of the Company taking place by the times specified in this Agreement in connection with the Rights Issue, including, without limitation:
  - (i) to publish the Announcement in accordance with Clause 3.2 by the time specified therein;
  - (ii) to provisionally allot the Rights Shares in accordance with Clause 6.1(a) by the time specified therein;
  - (iii) to despatch the Prospectus Documents to the Qualifying Shareholders and to make the Prospectus Documents available for display in accordance with Clause 6.1(b) by the time specified therein;
  - (iv) to deliver to the Underwriters the documents as set out in Part A, Part B, Part C, Part D and Part E of Schedule 2 in accordance with the timing set out in the relevant Part of Schedule 2 and, if applicable, the documents as set out in Part F of Schedule 2 in accordance with the timing set out therein; and
  - (v) to deliver to the Underwriters at the Time of Sale a certificate duly signed by an authorised representative of the Board, dated as of the date on which the Time of Sale occurs, in the form set out in Exhibit A hereto;
- (i) compliance with, and performance of all obligations of the Committed Shareholder taking place by the times specified in the Irrevocable Undertaking, and the Irrevocable Undertaking remaining in full force and effect; and
- (j) all relevant consents, approvals, permits, authorisations or clearances (as the case may be) required to be obtained by the Company or any member of the Group under applicable laws, regulations or rules for the Rights Issue and the transactions contemplated hereunder have been obtained (including but not limited to all authorisations from the Stock Exchange under the Listing Rules and the State-owned Assets Supervision and Administration Commission of the State Council), and all such consents, approvals, permits, authorisations and clearances not having been revoked or withdrawn at any time up to the Latest Time for Termination; and
- (k) the Shares (other than the Rights Shares) remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended or materially limited for a consecutive period of more than three trading days (or such longer period as the Company and the Underwriters may agree) and

no indication having been received before the Latest Time for Termination from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of this Agreement or for any other reason.

- 2.2** The Company shall use its best endeavours to procure the fulfilment of each of the conditions set out in Clause 2.1 on or before the relevant time or date specified, and, in particular, shall furnish such information, supply such documents, pay such fees, give such undertakings and do all such acts and things as are required in compliance with the Listing Rules, the Companies (WUMP) Ordinance, the Companies Ordinance, the SFO or as may be required by the SFC, the Stock Exchange, the Registrar of Companies in Hong Kong or HKSCC in connection with the Rights Issue (including obtaining the Listing Approval, the Listing and the admission of the Nil Paid Rights as eligible securities for deposit, clearance and settlement in CCASS) and the arrangements contemplated under this Agreement, or as may be reasonably required by the Underwriters.
- 2.3** The Underwriters shall have the right, in their absolute discretion, by giving notice to the Company on or before the latest time at which, or the latest day on which, any of the conditions set out in Clause 2.1 may be fulfilled to: (i) waive any such conditions (except Clauses 2.1(a) to 2.1(f)); or (ii) extend the time or date for fulfilment of any of such conditions (in which case a reference in this Agreement to the satisfaction of such condition shall be to its fulfilment by the time or date as so extended), and such waiver or extension may be made subject to such terms and conditions as are reasonably determined by the Underwriters.
- 2.4** If any of the conditions set out in Clause 2.1 (which has not previously been waived by the Underwriters if capable of being waived under this Agreement) is not fulfilled, or becomes incapable of fulfilment, on or prior to the relevant time and date specified in that Clause or, if no such date is so specified or referred to, is not fulfilled on or prior to the Latest Time for Termination (or such later date or dates as the Underwriters may agree with the Company in writing), this Agreement ((i) save in respect of any breach of this Clause 2.1(i), and (ii) save for the provisions of Clauses 1, 2.4, 16, 24 and 25 which shall remain in full force and effect and (iii) save further that the Company shall pay the fees and expenses specified in Clause 12 (subject as provided in Clause 12.2)) shall terminate and no party will have any claim against any other for costs, damages, compensation or otherwise, provided that such termination shall be without prejudice to the rights of the parties in respect of any breach of this Agreement occurring prior to such termination.
- 2.5** The Company shall notify the Underwriters as soon as possible of any event which causes or may reasonably be expected to cause any of the conditions set out in Clause 2.1 not capable of being satisfied in accordance with its terms or not capable of satisfaction in sufficient time.

### **3 MAKING THE RIGHTS ISSUE**

- 3.1** The Company shall procure that the Rights Issue is made in accordance with applicable laws and regulations (including, without limitation, the Listing Rules), and on the terms set out in the Prospectus Documents.
- 3.2** The Company shall procure the publication of the Announcement pursuant to the Listing Rules as soon as reasonably practicable following sign-off by the Stock Exchange and the Underwriters on the proposed timetable for the Rights Issue, and in any case by no later

than 8:30 a.m. on 4 June 2024 (or such later time and/or date as the Company and the Underwriters may agree in writing).

- 3.3** The Company shall procure that the Registrar provides to the Company and the Underwriters, by no later than 6:00 p.m. on the Record Date (or such other date after the Record Date as agreed between the Company and the Underwriters), the relevant details of the Shareholders on the register of members of the Company on the Record Date.

#### **4 APPLICATION FOR LISTING, ADMISSION TO TRADING AND TO CCASS**

- 4.1** The Company shall use its best endeavours: (a) to obtain the Listing Approval; and (b) to obtain permission for admission of the Nil Paid Rights as eligible securities for deposit, clearance and settlement in CCASS as soon as practicable and, in any event, no later than (y) in the case of the Nil Paid Rights, the Business Day before the commencement of trading of the Nil Paid Rights on the Stock Exchange; and (z) in the case of the Rights Shares in their fully-paid form, the Latest Time for Termination.
- 4.2** The Company undertakes to obtain clearance of the Prospectus from the Stock Exchange for the purposes of, and in accordance with, the Listing Rules and shall use its best endeavours to obtain such clearance as soon as practicable and in any event on or prior to the Business Day before the Prospectus Date.
- 4.3** The Company confirms that it will consult in good faith with the Underwriters and take into account the Underwriters' reasonable requirements in relation to any amendments to, or completion of outstanding information in, the Prospectus Documents, including any as are reasonably required for the purpose of securing the authorisation, clearance and formal approval of the Prospectus Documents by the Stock Exchange.
- 4.4** The Company shall notify the Underwriters as soon as practicable after it becomes aware of any matter which arises between the time that the Prospectus Documents are cleared by the Stock Exchange and 4:00 p.m. on the Acceptance Date which would require a supplementary prospectus to be published in accordance with Rule 11.13 of the Listing Rules or otherwise. The Company shall deal with every such matter in accordance with the Listing Rules and applicable laws and regulations, and shall consult in good faith with the Underwriters and take into account the Underwriters' reasonable requirements as to the contents of any such supplementary prospectus and comply with all requirements of the Underwriters in relation thereto.

The Company shall procure (to the extent that it lies in its power to do so) to be provided, communicated or delivered to any Underwriter all such assistance, information and documents (signed by the appropriate person where so required) as such Underwriters may reasonably require to enable it to discharge its obligations as a sole global coordinator and/or an underwriter (where applicable) hereunder and pursuant to or in connection with the Rights Issue or as may be required to comply with the requirements of the Companies (WUMP) Ordinance, the Companies Ordinance, the SFO, the Listing Rules or any other applicable rules, regulations or requirements in connection with such matters.

#### **5 APPOINTMENT**

- 5.1** The Company confirms the appointment of the Sole Global Coordinator, to the exclusion of all others, as sole global coordinator of the Rights Issue, upon and subject to the terms and conditions set out in this Agreement. On and subject to the terms and conditions set out in this Agreement, and relying on the representations, warranties, agreements, undertakings

and indemnities contained herein, the Sole Global Coordinator accepts its appointment as sole global coordinator under this Agreement.

- 5.2** The Company confirms the appointments of each of the Underwriters, to the exclusion of all others, as joint underwriters of the Rights Issue, upon and subject to the terms and conditions set out in this Agreement. On and subject to the terms and conditions set out in this Agreement, and relying on the representations, warranties, agreements, undertakings and indemnities contained herein, each of the Underwriters accepts its respective appointments as joint underwriters under this Agreement.
- 5.3** The Company confirms that the appointments in Clauses 5.1 and 5.2 confer on the Sole Global Coordinator and each Underwriters all powers, authorities and discretions which are necessary for, or reasonably incidental to, the performance of its function as sole global coordinator and/or underwriters (as applicable) including the power to appoint such sub-underwriters, agents and affiliates as it deems appropriate and the power to delegate, with power to sub-delegate, to such sub-underwriters, agents and affiliates, in each case, in its sole discretion, provided that each Sole Global Coordinator and/or Underwriter shall remain liable for all acts and omissions of any sub-underwriter, agent or affiliate appointed by it pursuant to this Clause 5.2 and shall be responsible for the fees, costs and expenses of any sub-underwriter, agent or affiliate appointed by it pursuant to this Clause 5.2. The Company will ratify and confirm all actions which any Sole Global Coordinator and/or Underwriter (or any of its sub-underwriters, agents or affiliates) lawfully and properly takes pursuant to such appointment.
- 5.4** Without limiting the generality of Clause 5.3 above, the Company irrevocably authorises each Underwriter to give to the Registrar and/or HKSCC any instructions consistent with this Agreement and/or the Prospectus Documents that it reasonably considers to be necessary for, or incidental to, the performance of its functions as an sole global coordinator or an underwriter in connection with the Rights Issue, Listing, or admission of the Nil Paid Rights as eligible securities for deposit, clearance and settlement in CCASS.
- 5.5** The Company acknowledges and agrees that the Underwriters are not responsible for and have not authorised and will not authorise the contents of the Prospectus Document or any supplementary prospectus, and that the Underwriters have not been requested by the Company to independently confirm, nor are, nor shall be, responsible to the Company for independently confirming, the accuracy, completeness or fairness of any information in any of the Prospectus Documents (or any supplement or amendment to any of them).
- 5.6** All the obligations and liabilities of the Underwriters under this Agreement are several, and not joint or joint and several. Notwithstanding the foregoing, each of the Underwriters shall be entitled to enforce any or all of its rights under this Agreement either alone or jointly with another Underwriter.
- 5.7** Without prejudice to Clause 11 or other provisions of this Agreement, none of the Underwriters shall be responsible for any Loss or damage to any persons arising from any transactions carried out by any of them or any of their affiliates, delegates or sub-underwriters pursuant to this Agreement or to the Company, and each indemnified party (as defined in Clause 16.1) shall be entitled, pursuant to the indemnities contained in Clause 16, to recover any Losses incurred or suffered as a result of or in connection with this Agreement (except, only and to the extent the right to indemnity arises solely under Clause 16.1 for such indemnified party which have been finally judicially determined in a court of competent

jurisdiction to have arisen primarily from the gross negligence, wilful default or fraud of that indemnified party).

## **6 ALLOTMENT OF RIGHTS SHARES AND DESPATCH OF PROSPECTUS**

**6.1** Subject to (i) the Listing Approval having been obtained and such Listing Approval not being withdrawn or revoked, (ii) the admission of the Nil Paid Rights as eligible securities for deposit, clearance and settlement in CCASS, (iii) the Stock Exchange issuing a certificate authorising registration of the Prospectus with the Registrar of Companies in Hong Kong, and (iv) a duly certified copy of the Prospectus (and other required documents) having been lodged with the Registrar of Companies in Hong Kong and the Registrar of Companies in Hong Kong issuing a confirmation of registration letter, the Company shall:

- (a) by resolutions of the Board or duly authorised sub-committee of the Board, provisionally allot on or before the Prospectus Date: (i) Nil Paid Rights to all Qualifying Shareholders; and (ii) Nil Paid Rights representing the aggregate of fractional entitlements and the entitlements of Non-Qualifying Shareholders to Citi (the “**Company Nominee**”) to be dealt with in accordance with Clause 7.1 on the terms set out in the Prospectus Documents;
- (b) on the Prospectus Date make the Prospectus Documents available for display in the manner specified in the Prospectus Documents and in accordance with the Listing Rules and make available to the Underwriters such number of copies of the Prospectus Documents as they may reasonably require; and
- (c) procure the despatch of the Prospectus Documents to the Qualifying Shareholders on or before the Prospectus Date.

## **7 FRACTIONAL ENTITLEMENTS**

**7.1** Fractions of Rights Shares shall not be provisionally allotted and entitlements to fractions of Rights Shares of Qualifying Shareholders shall be rounded down to the nearest whole number. Rights Shares representing the aggregate of fractional entitlements of Rights Shares shall be provisionally allotted (nil-paid) to the Company Nominee on the same date as the provisional allotments pursuant to Clause 6.1(a)(i) are made. By no later than 6:00 p.m. on the Record Date (or such other date after the Record Date as agreed between the Company and the Underwriters in writing), the Company shall, or shall procure the Registrar to, notify the Underwriters of the number of Rights Shares comprised in fractional entitlements. As soon as practicable after dealings in the Nil Paid Rights commence, the Company Nominee (acting as agent of the Company) shall, if it is able before such dealings cease and at a premium over the expenses of sale, use reasonable endeavours to sell or procure the sale of such Nil Paid Rights (or of so many thereof as the Company Nominee is able to sell) outside the United States in offshore transactions within the meaning of and in compliance with Regulation S.

**7.2** The Company Nominee shall, as soon as is reasonably practicable, inform the Company and the Registrar of the number of Nil Paid Rights to be issued to purchasers procured by the Company Nominee pursuant to Clause 7.1.

**7.3** After the Company Nominee has notified the Company in accordance with Clause 7.2, the Company shall deliver to the Company Nominee (or as it shall direct) nil-paid split Provisional Allotment Letters in respect of those Nil Paid Rights so placed with purchasers, in the names and denominations required by them. As soon as practicable after the Company has

complied with its obligations in this Clause 7.3, the Company Nominee shall account to the Company for the proceeds of the Nil Paid Rights which it is able to sell (after deduction of the expenses of sale).

- 7.4** Any Nil Paid Rights arising from fractional entitlements which are not sold shall be dealt with as Rights Shares not Accepted in accordance with Clause 9.2.

## **8 NON-QUALIFYING SHAREHOLDERS**

- 8.1** The Company shall procure that no offer of Rights Shares (nil paid or fully paid) shall be made to Non-Qualifying Shareholders except in accordance with Clause 8.3. Subject to Clause 8.3, the Prospectus Documents shall not be despatched to Non-Qualifying Shareholders unless in terms pursuant to those set out in the Prospectus.
- 8.2** Subject to Clause 8.3, the Company shall procure that the Prospectus Documents shall specify to the reasonable satisfaction of the Underwriters such procedures to ensure that the Nil Paid Rights are not taken up by or for the account of benefit of any Non-Qualifying Shareholder.
- 8.3** The Company may permit any Non-Qualifying Shareholders who hold Shares on the Record Date to take up their rights if such Shareholders are able to demonstrate: (i) to the satisfaction of the Company that such Shareholders (and Beneficial Owners (if any)) may do so without any burdensome requirement on the Company; and (ii) to the satisfaction of the Company and the Underwriters that they may do so without contravening any registration or other legal requirements in any jurisdiction.
- 8.4** Rights Shares which represent the entitlements of the Non-Qualifying Shareholders shall be provisionally allotted (nil-paid) to the Company Nominee, acting as representative on behalf of the Non-Qualifying Shareholders nominated by the Company, on the same date as the provisional allotments pursuant to Clause 6.1(a)(i) are made. By no later than 6:00 p.m. on the Record Date (or such other date after the Record Date as agreed between the Company and the Underwriters in writing), the Company shall, or shall procure the Registrar to, notify the Underwriters of the number of Rights Shares comprised in entitlements of Non-Qualifying Shareholders. As soon as practicable after dealings in the Nil Paid Rights commence, the Company Nominee (acting as agent of the Company) shall, if it is able before such dealings cease and at a premium over the expenses of sale, use reasonable endeavours to sell or procure the sale of such Nil Paid Rights (or of so many thereof as the Company Nominee is able to sell) outside the United States in offshore transactions within the meaning of and in compliance with Regulation S.
- 8.5** The Company Nominee shall, as soon as is reasonably practicable, inform the Company and the Registrar of the number of Nil Paid Rights to be issued to purchasers procured by the Company Nominee pursuant to Clause 8.4.
- 8.6** After the Company Nominee has notified the Company in accordance with Clause 8.5, the Company shall deliver to the Company Nominee (or as it shall direct) nil-paid split Provisional Allotment Letters in respect of those Nil Paid Rights so placed with purchasers, in the names and denominations required by them. After the Company has complied with its obligations in this Clause 8.6, the Company Nominee shall as soon as practicable thereafter account to the Company for the proceeds of the Nil Paid Rights which it is able to sell (after deduction of the expenses of sale).



- 8.7** Any Nil Paid Rights representing the entitlements of the Non-Qualifying Shareholders which are not sold shall be dealt with as Rights Shares not Accepted in accordance with Clause 9.2.
- 8.8** In relation to Nil Paid Rights sold under Clause 8.4, the Company shall distribute to the Non-Qualifying Shareholders pro rata to their respective entitlements to Rights Shares the aggregate proceeds of sale of the Nil Paid Rights representing the entitlements of the Non-Qualifying Shareholders, in Hong Kong dollars and after deduction of expenses, except that individual amounts of HK\$100.00 or less shall not be so distributed but shall be retained for the benefit of the Company.

## **9 ALLOCATIONS AND EXCESS APPLICATIONS**

**9.1** By no later than 4:30 p.m. on the first Business Day after the Acceptance Date (or such later time as is agreed between the Company and the Underwriters in writing), the Company shall (or shall procure the Registrar to) confirm the provisional allotments of the Rights Shares in respect of which Provisional Allotment Letters have been lodged for acceptance (whether by persons to whom the Rights Shares were provisionally allotted or by renounees of the right to accept allotment) in accordance with the terms of the Prospectus Documents, together with valid cheques, banker's cashier orders or other remittances which have been honoured on first presentation for the full amount payable thereunder (the Rights Shares comprised in Provisional Allotment Letters which are so lodged together with such cheques, banker's cashier orders or other remittances are referred to in this Agreement as having been "**Accepted**").

**9.2** If:

- (a) any Rights Shares have not been Accepted; and
- (b) Excess Application Forms have been lodged in accordance with the terms of the Prospectus Documents, together with valid cheques, banker's cashier orders or other remittances which are honoured on first presentation for the full amount payable in connection with such applications,

then, by no later than 4:30 p.m. on the first Business Day after the Acceptance Date, the Company shall accept such applications under the Excess Application Forms, provided that the Company shall only be obliged to accept applications under Excess Application Forms for the aggregate number of the Underwritten Shares which have not been Accepted and to the extent that the Company will continue to be able to satisfy the requirement under rule 7.21(3)(b) of the Listing Rules.

If the aggregate number of the Rights Shares which have not been Accepted is less than the number of Rights Shares applied for under the relevant Excess Application Forms, the Company shall be entitled to determine (in accordance with the requirements of the Stock Exchange) which applications are to be Accepted and which are to be rejected, after consulting with the Underwriters (and providing any Underwriter with such information, calculations and assistance as such Underwriter may reasonably require).

Underwritten Shares which have either been Accepted or which are the subject of accepted applications under Excess Application Forms under this Clause 9.2 are referred to in this Agreement as having been "**taken up**".

**9.3** By no later than 4:30 p.m. on the second Business Day after the Acceptance Date, the Company will confirm the provisional allotments of the Rights Shares which have been taken

up, and cancel the provisional allotments of the Rights Shares which have not been taken up.

## 10 UNDERWRITING

**10.1** The obligations of the Underwriters under this Clause 10 shall terminate if, by 4:30 p.m. on the first Business Day after the Acceptance Date, all of the Underwritten Shares have been taken up.

**10.2** If, however, by 4:30 p.m. on the first Business Day after the Acceptance Date any of the Underwritten Shares have not been taken up, the Company shall as soon as practicable thereafter (and, in any event, before 4:30 p.m. on the second Business Day after the Acceptance Date) notify the Underwriters in writing of the number of the Underwritten Shares not taken up, and, subject to the provisions of this Agreement and the Company having complied with such notification obligation, each Underwriter shall:

- (a) (as agent of the Company) procure subscribers, or failing which (as principal) itself subscribe, on the terms of the Prospectus Documents (so far as the same are applicable) for its Respective Commitment of such Underwritten Shares not taken up by no later than the end of the third Business Day after the Acceptance Date; and
- (b) procure payment or pay to the Company the Subscription Price for its Respective Commitment of such Underwritten Shares not taken up by no later than the end of the fifth Business Day after the Acceptance Date,

against the issue of Rights Shares (fully-paid) in certificated form in such names and denominations as specified by the Underwriter in respect of the Rights Shares to be issued in certificated form, and against HKSCC crediting such stock accounts in CCASS as shall be notified by the Underwriter with the number of Rights Shares (fully-paid) as specified by the Underwriter in respect of the Rights Shares to be issued in uncertificated or scripless form.

The obligations of the Underwriters in this Clause 10.2 are several and not joint nor joint and several, and each Underwriter shall be responsible only for its respective proportion of the Underwritten Shares not otherwise taken up as set out below ("**Respective Commitment**"):

<b>Underwriter</b>	<b>Respective Commitment</b>
Citi	40%
Macquarie	30%
MLAP	20%
Huatai	10%

**10.3** Each Underwriter can elect to receive the fully paid Underwritten Shares for which it has so subscribed, or procured subscription pursuant to Clause 10.2, in certificated form or in CCASS.

**10.4** If an Underwriter elects to receive its fully paid Underwritten Shares in certificated form, the Company shall arrange for the delivery to such Underwriter or its nominee of shares certificates in respect of the fully paid Underwritten Shares for which the relevant Underwriter has so subscribed or procured subscribers, in such names and in such denominations as

the relevant Underwriter may require, at the later of: (i) the time share certificates are despatched generally to persons who have taken up the Rights Shares; and (ii) payment for such Underwritten Shares is received by the Company.

If an Underwriter elects to receive its fully paid Underwritten Shares via CCASS (the “**CCASS Shares**”), it shall provide a notice in writing to the Company, together with the details of its CCASS account (or the details of the CCASS account of its nominee, if applicable), at least two Business Days prior to the date on which the share certificates are generally despatched to persons who have taken up the fully paid Rights Shares. The Company shall (i) credit the relevant CCASS Shares to such Underwriter’s CCASS account or such other CCASS account as such Underwriter directs in its notice in writing; and (ii) provide evidence or confirmation that such documents and instructions required to effect the crediting of such CCASS Shares have been signed or given, as the case may be, to such Underwriter, at the later of: (i) the time share certificates are despatched generally to persons who have taken up the Rights Shares; and (ii) payment for such Underwritten Shares is received by the Company. If any of the CCASS Shares are not deposited into CCASS on or before the time specified in this Clause 10.4, the Company shall arrange share certificates to be issued in respect of those CCASS Shares as if the relevant Underwriter had elected to receive the CCASS Shares in certificated form

- 10.5** The Company undertakes to inform, or procure the Registrar to inform, the Underwriters on a daily basis as to the number of Rights Shares Accepted on any day, by 10:00 a.m. on the following day, during the period between the Prospectus Date and the Acceptance Date (both days inclusive) (or such other intervals as may be agreed by the Company and the Underwriters).
- 10.6** The Company agrees that any Underwriter and any sub-underwriter who acquires Rights Shares shall be entitled to the same remedies and rights of action against the Company, and to the same extent, as any person who acquires any Rights Shares pursuant to the Rights Issue on the basis of the Prospectus Documents.
- 10.7** For the avoidance of doubt, the obligations of each Underwriter under this Agreement shall be limited to and shall not exceed its Respective Commitment of the Underwritten Shares not taken up and no Underwriter shall have any liability, responsibility or obligation in respect of any default, action or omission by another.
- 10.8** As soon as an Underwriter’s Respective Commitment of the Underwritten Shares not taken up of has been subscribed for and paid for (either by such Underwriter or subscribers procured by it pursuant to the above provisions), such Underwriter shall be discharged from all further liability under this Clause 10.

## **11 TRANSACTIONS CARRIED OUT BY THE UNDERWRITERS**

Any transaction carried out by an Underwriter pursuant to this Agreement shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of such Underwriter’s own account (save for the subscription of Underwritten Shares by such Underwriter as principal under Clause 10.2(a)). No Underwriter shall be liable or responsible for any loss or damage to any person arising from any such transaction or for any insufficiency or alleged insufficiency of any dealing price at which any of the Rights Shares or Nil Paid Rights may be sold by any such person or from the timing of any such transactions, except where such loss or damage is finally judicially determined by a court of competent jurisdiction to have resulted primarily from the gross negligence, wilful default or

fraud of the relevant Underwriter. For the avoidance of doubt, the gross negligence, wilful default or fraud (if any) on the part of an Underwriter shall not affect the reliance on this Clause 11 by another Underwriter.

## **12 FEES AND EXPENSES**

**12.1** In consideration of the Underwriters agreeing to provide their services under this Agreement, the Company shall (by not later than the date of despatch of the share certificates in respect of the Rights Shares) make the following payments:

- (a) to each of the Underwriters, an underwriting commission of 2% of an amount which is equal to the Subscription Price multiplied by the number of Underwritten Shares comprising its Respective Commitment of such Underwriting; and
- (b) all costs, fees and out-of-pocket expenses reasonably and properly incurred by any Underwriter in connection with the Rights Issue, including roadshow expenses, other marketing expenses and, subject to the Company's prior written consent, fees of the Underwriters' legal advisers (but, for the avoidance of doubt, excluding (i) fees and expenses of the Underwriters' Hong Kong and United States legal advisers which shall be borne by the Underwriters in proportion to their Respective Commitment; and (ii) sub-underwriting fees and expenses relating to the sub-underwriting by such Underwriter, if any).

In addition, the Company may at its sole discretion pay the Underwriters an incentive fee of up to 0.50% of the aggregate Subscription Price of the Underwritten Shares, which shall be notified by the Company in writing to the Underwriters on a date no later than the Listing Date and settled by the Company no later than 30 days after the Listing Date.

**12.2** Payment of the amounts referred to in Clause 12.1(b) shall be made whether or not the obligations of the Underwriters under this Agreement become unconditional or are terminated (whether pursuant to Clause 17 or otherwise).

**12.3** Out of the fees and commissions referred to in Clause 12.1, it is the responsibility of each Underwriter to pay (i) fees and expenses of the Underwriters' legal advisers which shall be borne by the Underwriters in proportion to their Respective Commitment; and (ii) any sub-underwriting commissions payable to such persons (if any) as such Underwriter may procure to subscribe Rights Shares.

**12.4** Without prejudice to its right to receive payment directly from the Company pursuant to this Clause 12, each Underwriter shall be entitled and is authorised to deduct some or all of the amounts payable pursuant to Clause 12.1 and any other fee and expense which the Company has agreed in writing to pay to such Underwriter from any amount otherwise payable by such Underwriter to the Company under this Agreement.

**12.5** Save as provided in Clause 12.3, the Company shall bear its own legal fees, translator's fees, accountancy and other professional fees, registrars' fees, the cost of printing and distributing the Announcement and the Prospectus Documents and all other costs, fees, charges and expenses of, or in connection with, the Rights Issue, the issue of the Rights Shares, this Agreement and the transactions contemplated hereunder (including, without limitation, all fees of the Stock Exchange in connection with the listing of the Rights Shares and any roadshow or marketing expenses). The Company shall forthwith upon request from time to time by each Underwriter reimburse it for any such expenses as are referred to above

which such Underwriter may have properly and reasonably paid or incurred on behalf of the Company (whether as sole global coordinator or underwriter).

- 12.6** All payments to be made pursuant to this Clause 12 shall be made in full without any set-off, deduction or withholding for or on account of any taxation unless the set-off, deduction or withholding is required by law, in which event the payer shall pay to the payee such increased amount as shall result, after the set-off, deduction or withholding of the relevant tax, in the receipt by the payee of a net amount equal to the full amount which would otherwise have been received by it had no such set-off, deduction or withholding been made.

### **13 ANNOUNCEMENTS**

- 13.1** Save as expressly required under this Agreement, or as otherwise required by the Stock Exchange or the SFC, or otherwise required by law or the Listing Rules:

- (a) no public announcement, prospectus, supplementary prospectus or circular, press release or other communication to Shareholders, the Stock Exchange or the SFC concerning the Company and/or its subsidiaries which is material in relation to the issue of the Rights Shares shall be made or despatched by the Company or the Underwriters between the date of this Agreement and, if all the Underwritten Shares are taken up, the Latest Time for Acceptance or, in any other case, the time at which the Underwriters are obliged to make payment under Clause 10.2, without the prior written approval from the Underwriters or the Company (as the case may be) as to the content, timing and manner of making or despatch thereof (in each case where such prior written approval shall not be unreasonably withheld or delayed); and
- (b) thereafter no public announcement, prospectus, supplementary prospectus, circular, press release or other communication to Shareholders, the Stock Exchange or the SFC concerning the Company and/or its subsidiaries which is otherwise material in the context of the Rights Issue shall be made or despatched by the Company for a period expiring on the date falling three months after the date of this Agreement unless the Company has, to the extent practicable, first provided a draft of the proposed announcement or communication to the Underwriters for review and comment and taking into account their requests in relation to the content, timing and manner of making or despatch thereof, except in the case which the Company is subject to a secrecy obligation in light of a request to provide information to the Stock Exchange or the SFC, the Company may comply with such request without having provided the proposed communication to the Underwriters for review or comment.

For the avoidance of doubt, the provisions of this Clause 13.1 shall not apply to any notification made by the Underwriters pursuant to Part XV of the SFO.

- 13.2** The Company undertakes to supply all information reasonably required by any Underwriter to comply with the requirements of the Stock Exchange, the SFC or any applicable law or regulation.

### **14 RESTRICTIONS ON DEALINGS**

- 14.1** The Company undertakes to the Underwriters that for the period from the date of this Agreement and ending on the date which is 90 days after the Listing Date, it shall not (except for the Rights Shares):

- (a) undertake any consolidation or subdivision of its share capital, allot, issue, sell, accept subscription for, or offer to allot or issue or sell, or contract or agree to allot, issue or sell, or grant or sell any option, right or warrant to subscribe for or purchase (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares (other than the grant of performance awards or the allotment or issue of any Shares upon the exercise of any employee share options or the vesting of any employee share awards pursuant to any employee share option scheme or employee share scheme adopted in accordance with the Listing Rules);
- (b) buy back, cancel, retire, reduce, redeem, amalgamate, re-purchase, purchase or otherwise acquire any Shares;
- (c) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in Clause 14.1(a) or 14.1(b); or
- (d) announce any intention to enter into or effect any such transaction described in Clause 14.1(a), 14.1(b) or 14.1(c) above,

unless with the prior written consent of the Underwriters; provided that the above restrictions shall cease to apply if this Agreement (i) does not become unconditional and is terminated; or (ii) is terminated by the Underwriters pursuant to any of the termination events set out in Clause 17.

## 15 REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

**15.1** The Company represents, warrants and undertakes to the Underwriters and each of them that:

- 15.1.1 Incorporation:** (i) each of the Company and other members of the Group is a company duly incorporated and validly existing under the laws of its jurisdiction of incorporation, is in good standing (where applicable), is in compliance in all material respects with all laws and regulations to which it is subject, is not in liquidation or receivership and has full power and authority to own its properties and to conduct its business and is lawfully qualified to do business in those jurisdictions in which business is conducted by it, and (ii) the Company has full power and authority to enter into and perform its obligations under this Agreement;
- 15.1.2 Validity of this Agreement:** this Agreement has been duly authorised, executed and delivered by the Company and constitutes valid, legally binding and enforceable obligations of the Company subject to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and general principles of equity;
- 15.1.3 Allotment and issue of Rights Shares:**
  - (i) the Company has power under its articles of association and has taken all necessary corporate action to enable the issuance of the Rights Shares required to be provisionally allotted pursuant to the terms of this Agreement in accordance with the Prospectus Documents;
  - (ii) save for those referred to in Clause 2.1, no approval, consent, clearance, authorisation, order, registration, qualification, sanction or notification

(including but not limited to any filings or approvals required under the New Rules for Overseas Listing) (collectively, the “**Approvals**”) is required for the allotment and issue of the Rights Shares, and such allotment and issue will not infringe any restriction upon the Company or any other member of the Group or the terms of any contract or commitment whatsoever of the Company or any other member of the Group nor give rise to any obligation under such contract or commitment. None of the Company or any affiliate, employee, agent or other person acting on behalf of the Company or any other member of the Group (a) has consulted or otherwise communicated with any PRC regulatory or governmental agency, authority or body as to whether any Approval is required for the allotment and issue of the Rights Shares; or (b) has been informed, notified or otherwise made aware of any Approval being required from any PRC governmental agency, authority or body for the allotment and issue of the Rights Shares, in each case, under the New Rules for Overseas Listing;

- (iii) the issue of the Rights Shares will be duly authorised, and the Rights Shares will be allotted in accordance with, on the terms of and subject to the conditions set out in, this Agreement, the articles of association of the Company and the Prospectus Documents;
- (iv) subject to the conditions set out in Clause 2.1, the Rights Shares will be allotted and issued free from all claims, charges, liens, encumbrances and equities whatsoever, and will rank *pari passu* in all respects with all of the Shares in issue on the date of allotment and issue of the fully-paid Rights Shares; and
- (v) the issue of the Rights Shares will not be subject to any pre-emptive or similar rights;

#### 15.1.4 Share capital:

- (i) other than any options or performance awards issued pursuant to any employee share option scheme or employee share scheme adopted by the Company in accordance with the Listing Rules, the Company has no outstanding derivatives, options, warrants, subscription or conversion rights or similar rights which are convertible or exchangeable into Shares nor are there other or similar arrangements approved by the Board or the general meeting of Shareholders of the Company providing for the issue or purchase of Shares or the subscription for Shares (save in respect of the Rights Issue and the general mandate to be approved in the annual general meeting of the Company) and no unissued Share of the Company is under option or agreed conditionally or unconditionally to be put under option; and
- (ii) other than any issue, offer to issue, or grant of any performance award, or allotment or issue of any performance award shares upon the vesting of such performance awards pursuant to any employee share scheme adopted by the Company in accordance with the Listing Rules, the Company will not issue, allot, grant or create any Shares, derivatives, options, warrants, subscription or conversion rights or similar rights which are convertible or exchangeable into Shares prior to the Record Date;

- (iii) all of the issued Shares (other than Rights Shares in their nil paid form) have been duly and validly authorised and issued and are fully paid up;
- (iv) all of the issued shares of each subsidiary of the Company have been duly and validly authorised and issued and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, save and except that the Group's interest in the Las Bambas Companies and Khoemacau Companies are subject to equity pledge; and
- (v) all share capital or equity capital of each subsidiary of the Company due and payable by any member of the Group are fully paid in accordance with the requirements of the applicable laws and agreements;

**15.1.5 Laws and Listing Rules:** the Company:

- (i) is in compliance with and will, until the Listing Date, comply with all applicable laws and the applicable requirements of the stock exchange(s) on which its equity is listed, save to the extent that any non-compliance would not singly or in aggregate result in a Material Adverse Effect; and
- (ii) will comply with all applicable laws and the applicable requirements in Hong Kong, including the requirements of the Stock Exchange, in connection with the Rights Issue, save to the extent that any non-compliance would not (a) be materially adverse to, or materially and prejudicially affect, the Rights Issue or (b) make this Agreement incapable of performance in accordance with its terms or prevent the processing of applications and/or payments pursuant to the Rights Issue or pursuant to the underwriting thereof;

**15.1.6 Compliance:** the execution and delivery of this Agreement, the issue and allotment of the Rights Shares and the carrying out of the transactions contemplated in the Prospectus Documents do not and will not:

- (i) save to the extent which would not singly or in aggregate result in a Material Adverse Effect, (i) conflict with or result in a breach of any of the terms or provisions of, or constitute a default (nor has any event occurred which, with the giving of notice and/or the lapse of time and/or the fulfilment of any other requirement would result in a default) by the Company or any other member of the Group under, the documents constituting the Company or any other member of the Group, or (ii) conflict with or result in a breach of any of the terms or provisions of, or constitute a default (nor has any event occurred which, with the giving of notice and/or the lapse of time and/or the fulfilment of any other requirement would result in a default) by the Company or any other member of the Group, under any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any other member of the Group is a party or by which any of their respective properties are bound or to which any of the property or assets of the Company or any other member of the Group is subject; or
- (ii) infringe any existing applicable law, rule, regulation, judgment, order, authorisation, licence or decree of or issued by any government, governmental or regulatory body or court, domestic or foreign, having



jurisdiction over the Company or any other member of the Group or any of their respective assets or properties; or

- (iii) infringe the rules of any stock exchange on which securities of the Company are listed, except where such breach or default would not be material in the context of the Rights Issue;

**15.1.7 Absence of defaults and conflicts:** neither the Company nor any other member of the Group is in breach, violation of, or default (nor has any event occurred which, with the giving of notice and/or lapse of time and/or fulfilment of any other requirement would result in a default by the Company or any other member of the Group) under:

- (i) its constitutional documents;
- (ii) this Agreement; or
- (iii) any law, regulation, agreement, licence, certificate or authorisation applicable to the Company or any other member of the Group, or any rules or requirements of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any other member of the Group, or any of their assets or properties,

save, in each case, to the extent which would not result in a Material Adverse Effect;

**15.1.8 No debt default:** save as disclosed by the Company in any public announcement or in the Prospectus Documents, each member of the Group is currently in compliance with, or has received a waiver (which has not been revoked) in relation to, all financial covenants in its outstanding indebtedness and is not in breach or potential breach of any provision of such indebtedness, nor will be in breach or potential breach of any provision of such indebtedness following completion of the Rights Issue, save in each case where non-compliance, breach or potential breach would not result in a Material Adverse Effect;

**15.1.9 Announcement, Prospectus Documents and Investor Presentation:**

- (i) the Prospectus Documents shall contain all information with respect to the Group and the Rights Shares which: (a) is material in the context of the issue of the Rights Shares; or (b) is necessary to enable investors to make an informed assessment of the activities, assets and liabilities, financial position, management, profits and losses and prospects of the Company and of the rights attaching to the Rights Shares;
- (ii) the statements contained in the Announcement, the Prospectus Documents and the Investor Presentation are true, accurate and not misleading in any material respect;
- (iii) the opinions and intentions expressed in the Announcement, the Prospectus Documents and the Investor Presentation are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions;

- (iv) there are no other facts the omission of which would, in the context of the Rights Issue, make any statement in the Announcement, the Prospectus Documents or the Investor Presentation misleading in any material respect;
- (v) all reasonable enquiries have been made by the Company to ascertain and verify the accuracy of all information and statements contained in the Announcement, the Prospectus Documents and the Investor Presentation in all material respects;
- (vi) the Announcement, the Prospectus Documents and the Investor Presentation do not include an untrue statement of a material fact, or omit a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; and
- (vii) the Announcement and the Prospectus Documents contain all particulars and information required by, and will be in accordance with the Companies (WUMP) Ordinance, the Companies Ordinance, the Listing Rules, the rules and regulations of the Stock Exchange and all other relevant ordinances and governmental regulations in Hong Kong.

**15.1.10 Financial statements:**

- (i) the audited consolidated financial statements of the Group and the Target Company Group for each of the three years ended 31 December 2023 (including the notes thereto) which will be referred to in the Prospectus Documents were prepared in accordance with the Companies Ordinance (or the previous Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as applicable), as in force at the time these financial statements were prepared and HKFRS (in respect of the financial statements of the Group) or IFRS (in respect of the financial statements of the Target Company Group) consistently applied and gave a true and fair view of the assets and liabilities, and the state of affairs, of the Group and the Target Company Group as at, and the profit or loss of the Group and the Target Company Group for the financial years ended, those dates, and, in each case, made proper provision for all actual liabilities and appropriate provision (or included a note in accordance with good accounting practice) for all deferred or contingent liabilities. No material information was withheld from the auditors to the Company for the purposes of their preparation of these financial statements and all information given to the auditors to the Company for such purposes was given in good faith and, to the best of the knowledge, information and belief of the Company after due and careful consideration, the factual contents of such reports are true and accurate in all material respects and no material fact or matter has been omitted;
- (ii) the unaudited pro forma financial information contained in or incorporated into the Prospectus: (a) was prepared in accordance with Rule 4.29 of the Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants; (b) was prepared on a basis consistent with the accounting policies of the Group; and (c) includes adjustments that are appropriate for the purposes pursuant to Rule 4.29(1) of the Listing Rules;

- (iii) since 31 December 2023 there has been no change (nor any development or event involving a prospective change of which the Company is, or might reasonably be expected to be, aware) which is materially adverse to the condition (financial or other), prospects, results of operations or general affairs of the Company or the Group, respectively; and
- (iv) since 31 December 2023 there has been no material increase in non-current liabilities of the Group as compared with the corresponding amount as at 31 December 2023 included in the Prospectus Documents;

**15.1.11 Accounting controls:** each of the Company and other members of the Group maintains a system of internal accounting controls sufficient to provide reasonable assurances that:

- (i) transactions are executed in accordance with management general or specific authorisations;
- (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with HKFRS and applicable laws and regulations and to maintain asset accountability;
- (iii) access to assets is permitted only in accordance with management's general or specific authorisation;
- (iv) the recorded accountability for material assets is compared with the existing material assets at reasonable intervals and appropriate action is taken with respect to any differences;
- (v) each of the Company and the other members of the Group has made and kept books, records and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of such entity and provide a sufficient basis for the preparation of consolidated financial statements in accordance with HKFRS; and
- (vi) the Company's current management information and accounting control systems have been in operation for at least 12 months during which time none of the Company and its subsidiaries has experienced any material difficulties with regard to paragraphs (i) to (v) above;

**15.1.12 Contingent liabilities:** there are no outstanding guarantees or contingent payment obligations of the Group in respect of indebtedness of any party other than a member of the Group which are material in the context of the Rights Issue except as described in the Prospectus Documents; each member of the Group is in compliance with all of its obligations under any outstanding guarantees or contingent payment obligations as described in the Prospectus Documents;

**15.1.13 Working capital:**

- (i) the statements in the Prospectus relating to the working capital of the Group represent the true and honest opinion of the Directors arrived at after due and careful consideration and enquiry;
- (ii) all statements of fact to be contained in the Working Capital Memorandum will be true and accurate in all material respects and not misleading in any material respect. All statements, forecasts, estimates and expressions of

opinion, belief, intention and expectation to be contained in the Working Capital Memorandum will be fairly and honestly given, expressed or held and will be made on reasonable grounds after due and proper consideration and will be reasonably based on facts known, or which on reasonable enquiry ought to have been known, to the Company;

- (iii) there are no facts known, or which on reasonable enquiry ought to have been known, to the Company which have not been taken into account in the preparation of the Working Capital Memorandum which could reasonably be expected to have a material effect on any of the projections contained therein;
- (iv) the cash flow and working capital projections which will form the basis of the Working Capital Memorandum will be properly and carefully compiled by the Directors on the basis of the assumptions set out therein and such assumptions are fair and reasonable; and
- (v) all information relating to the Group provided to any Underwriter and Deloitte Touche Tohmatsu for the purpose of their respective examinations and reviews of the working capital projections of the Group will be true and accurate in all material respects and is not by itself or by omission misleading in any material respect;

**15.1.14 Indebtedness:** the information contained in the section headed “Indebtedness” of the Prospectus accurately reflects the indebtedness of the Group;

**15.1.15 Off-balance sheet arrangements:** the Prospectus Documents accurately and fully describe as the case may be:

- (i) all material trends, demands, commitments, events, uncertainties and risks, and the potential effects thereof, that the Company believes could materially affect liquidity and could occur; and
- (ii) all material off-balance sheet transactions, arrangements, and obligations,

and neither the Company nor any other member of the Group has any material relationships with unconsolidated entities that are contractually limited to narrow activities that facilitate the transfer of or access to assets by the Company or any other member of the Group, such as structured finance entities and special purpose entities that could have a material effect on the liquidity of the Company or any other member of the Group or the availability thereof or the requirements of the Company or any other member of the Group for capital resources;

**15.1.16 Auditors:** to the best of the Company’s knowledge and belief, after due and careful consideration, the auditors who audited the financial statements of the Company and the Target Company, including the notes thereto, and delivered audit reports thereon, each of which will appear in the Prospectus Documents, are independent reporting accountants with respect to the Company and the Target Company as described in the audit reports;

**15.1.17 Title:**

Save as disclosed by the Company in any public announcement or in the Prospectus Documents or set out in the answers provided in the DDQ:

- (i) each of the Company and the other members of the Group has good and marketable title to all real property, personal property and any other assets owned by it (including such property or assets as described in the Prospectus Documents) or any rights or interests thereto, in each case as is material and necessary to conduct the business now operated by it (“**Assets**”);
- (ii) each of the Company and the other members of the Group has received all necessary approvals in order to have good and marketable title to its Assets, including without limitation approvals relating to the evaluation, acquisition and perfection of such title; and
- (iii) there are no charges, liens, encumbrances or other security interests or third party rights or interests, conditions, planning consents, orders, regulations, defects or other restrictions affecting any of such Assets which could have a Material Adverse Effect on the value of such Assets, or limit, restrict or otherwise have a material adverse effect on the ability of the relevant member of the Group to utilise or develop any such Assets and, where any such Assets are held under lease, each lease is a legal, valid, subsisting and enforceable lease;

**15.1.18 Approvals:**

Save as disclosed by the Company in any public announcement or in the Prospectus Documents or set out in the answers provided in the DDQ:

- (i) each of the Company and the other members of the Group possesses all material certificates, authorisations, licences, concessions, orders, consents, approvals or permits (“**Approvals**”) issued by, and has made all declarations and filings with, all appropriate national, state, local and other governmental agencies or bodies, all exchanges and all courts and other tribunals, domestic or foreign, necessary to own or lease, as the case may be, and to operate its properties and to conduct the business now operated by them;
- (ii) each of the Company and the other members of the Group is in compliance with the terms and conditions of all such Approvals in all material respects;
- (iii) all of the Approvals are valid and in full force and effect; and
- (iv) neither the Company nor any other member of the Group has received any notice of proceedings relating to the revocation or modification of any such Approvals or is otherwise aware that any such revocation or modification is contemplated or threatened, that, if determined adversely to the Company or any other member of the Group, would individually or in the aggregate have a Material Adverse Effect;

**15.1.19 Taxes and assessments:** save as disclosed by the Company in any public announcement or in the Prospectus Documents or set out in the answers provided in the DDQ:

- (i) all returns, reports or filings which ought to have been made by or in respect of each of the Company and the other members of the Group for taxation purposes have been made and all such returns are correct and on a proper basis and are not the subject of any dispute with the relevant revenue or other appropriate authorities and to the best of the knowledge of the

Company (after due and careful enquiry) do not reveal any circumstances likely to give rise to any such dispute and the provisions, charges, accruals and reserves included in the financial statements are sufficient to cover all taxation of each of the Company and the other members of the Group existing in all accounting periods ended on or before the accounting reference date to which the financial statements relate, whether payable then or at any time thereafter. No liability for tax which has not been provided for in the financial statements of the Company or any other member of the Group has arisen or has been asserted by the tax authorities against the Company or any other member of the Group; and

- (ii) each of the Company and the other members of the Group has duly and in a timely manner paid all taxes that have become due, including, without limitation, all taxes reflected in the tax returns referred to in paragraph (i) above, or any assessment, proposed assessment, or notice, either formal or informal, received by the relevant member of the Group except for any such taxes that are being contested in good faith and by appropriate proceedings or where the failure to file or make payment would not, singly or in the aggregate, have a Material Adverse Effect;

**15.1.20 Taxes/duties:** save as disclosed by the Company in the Announcement or in the Prospectus Documents or set out in the answers provided in the DDQ, no stamp or issuance or transfer tax or duty or tax or duty on capital gains or income (whether chargeable on a withholding basis or otherwise) is assessable or payable by any Underwriter, and no withholding or deduction for any taxes, duties, assessments or governmental charges of whatever nature is imposed on or made for or on account of any Underwriter, in Hong Kong or by any sub-division of or authority therein or thereof having power to tax, in connection with the allotment, issue and offering of the Rights Shares, save for income taxes payable by an Underwriter in respect of the fees paid to it under this Agreement;

**15.1.21 Litigation:** save as disclosed by the Company in any public announcement issued, or in the Prospectus Documents or set out in the answers provided in the DDQ, there are no pending actions, suits or proceedings against or affecting the Company or any other member of the Group or any of their respective directors, officers or properties, which if determined adversely against the Company or any other member of the Group or any of their respective directors, officers or properties, would individually or in the aggregate have a Material Adverse Effect and, to the best of the Company's knowledge (after due and careful enquiry), no such actions, suits or proceedings are threatened or contemplated, nor is there any fact likely to give rise to any such actions, suits or proceedings;

**15.1.22 Investigation:** save as disclosed by the Company in any public announcement or in the Prospectus Documents or set out in the answers provided in the DDQ, there are no police, legal, governmental or regulatory investigations nor any pending actions, suits or proceedings against or affecting the Company or any other member of the Group or any of their respective executive directors, officers or properties or, to the best of the Company's knowledge and belief (after due and careful enquiry) officers or employees, which, if determined adversely to the Company or any other member of the Group or any of their respective executive directors, officers, properties or employees, would individually or in the aggregate have a Material Adverse Effect,

and, to the best of the Company's knowledge (after due and careful enquiry), no such investigations, actions, suits or proceedings are threatened or contemplated;

**15.1.23 Winding up:** neither the Company nor any other member of the Group has taken any action nor, so far as the Company is aware, have any legal proceedings been started or threatened against the Company or any other member of the Group for its winding up, bankruptcy or dissolution or any analogous proceedings in any jurisdiction, and neither the Company nor any other member of the Group has taken any action to enter into any arrangement or composition for the benefit of creditors or for the appointment of a receiver, trustee, administrator, administrative receiver or similar officer of any of them, or any of their respective properties, revenues or assets, and the Company and each other member of the Group can pay its debts as and when they fall due for payment;

**15.1.24 Insurance:** each of the Company and the other members of the Group has in place all insurance policies necessary and customary for the conduct of their businesses as currently operated and for compliance with all requirements of law, such policies are in full force and effect, and all premiums with respect thereto have been paid, and no notice of cancellation or termination has been received with respect to any such policy, and each of the Company and the other members of the Group has complied with the terms and conditions of such policies, except where breach of this provision would not have a Material Adverse Effect;

**15.1.25 Environmental laws:**

Save as disclosed by the Company in any public announcement or in the Prospectus Documents or set out in the answers provided in the DDQ:

- (i) each of the Company and the other members of the Group: (i) is in compliance with any and all applicable Environmental Laws and has received, is in compliance with, and will comply with, all permits, licences or other approvals required of it under applicable Environmental Laws to conduct its businesses; and (ii) has not received notice of any actual or potential liability under any Environmental Law, except where such non-compliance with Environmental Laws, failure to receive required permits, licences or other approvals, or liability would not, individually or in the aggregate, have a Material Adverse Effect; and
- (ii) in the ordinary course of its business each of the Company and the other members of the Group periodically reviews the effect of Environmental Laws on its business, operations and properties, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws, or any permit, licence or approval, any related constraints on operating activities and any potential liabilities to third parties); on the basis of such review, the Company has reasonably concluded that such associated costs and liabilities would not, individually or in the aggregate, have a Material Adverse Effect.

For the purpose of this Clause, "**Environmental Laws**" means any and all supra-national, national, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licences, agreements or other governmental restrictions relating to the protection of

the environment (including, without limitation, human, animal and plant life, ambient air, surface water, ground water, or land), the protection of property and proprietary rights or for the compensation of harm to the environment whether by clean-up, remediation, containment or other treatment or the payment of monies to any competent authority;

**15.1.26 Labour disputes:** no material labour dispute with the employees of the Group exists or, to the knowledge of the Company after due and careful consideration, is imminent. The Company is not aware of any existing or imminent labour disturbance by the employees of any of its principal contractors which could result in a Material Adverse Effect;

**15.1.27 Information:**

- (i) all information supplied or disclosed in writing or orally including, without limitation, the answers and documents provided at due diligence meetings and in the DDQ (and any new or additional information serving to update or amend such information supplied or disclosed by the Company to the Underwriters or the legal and other professional advisers to the Underwriters) is true and accurate in all material respects and not misleading in any respect and no further information requested has been withheld, the absence of which is reasonably considered by the Company to be material to such due diligence enquiries or requests for information;
- (ii) all forecasts, opinions and estimates relating to the Company and each other member of the Group so supplied or disclosed have been made after due, careful and proper consideration, are based on reasonable assumptions and represent reasonable and fair expectations honestly held based on facts known to such persons (or any of them);
- (iii) there has been no development or occurrence or any event involving a prospective development or occurrence relating to the financial condition, prospects, results of operations, business, general affairs, or properties of the Company or any other member of the Group (including, without limitation, with respect to any corporate event, acquisition, disposal or related matter) which is not in the public domain and which would reasonably be expected to be materially adverse in the context of the Rights Issue; and
- (iv) the Company has disclosed all information regarding the financial or business condition or prospects of the Company and the Group which is relevant and material in relation to the Company and the Group in the context of the Rights Issue and there is not in existence any undisclosed material or information relating to the Company or the Group which is required to be disclosed by the Company under the Listing Rules or the SFO (or which would be required to be so disclosed absent any exemptions, or “safe harbours” under the Listing Rules or the SFO), or the disclosure of which would have a material effect on the trading price of the Shares;

**15.1.28 Roadshows:** no investor meetings have been conducted or information or materials issued by the Company and/or any of their respective agents (whether with or without the authority of the Company) in connection with the Rights Issue without the prior knowledge of and acquiescence by the Underwriters;



**15.1.29 Announcements:** with respect to all the announcements issued by the Company since 31 December 2023; (i) all statements contained therein were in every material particular true and accurate and not misleading; (ii) all opinions and intentions expressed in them were honestly held, were reached after considering all relevant circumstances and were based on reasonable assumptions; and (iii) there were no other facts omitted so as to make any such statement or expression in any of the announcements misleading in any material respect or which would or might have been material in the context in which the announcements were made;

**15.1.30 No fiduciary relationship:** the Company acknowledges and agrees that:

- (i) the offer, subscription, issue and delivery of the Rights Shares pursuant to this Agreement, including the determination of the Subscription Price and commissions, and the determination of the timing, terms and structure of the Rights Issue, is an arm's length commercial transaction between the Company, on the one hand, and the Underwriters, on the other hand;
- (ii) save to the extent of its express obligations under this Agreement, each of the Underwriters is and has been acting solely pursuant to a contractual relationship with the Company on an arm's length basis with respect to the Rights Issue (including in connection with determining the terms of the Rights Issue) and not as fiduciary;
- (iii) none of the Underwriters have assumed nor will it assume an advisory or fiduciary responsibility in favour of the Company with respect to the Rights Issue or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) and no Underwriter has any obligation to the Company with respect to the Rights Issue except the obligations expressly set forth in this Agreement;
- (iv) each of the Underwriters and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company; and
- (v) none of the Underwriters have provided any legal, accounting, regulatory or tax advice with respect to the Rights Issue and the Company has consulted its own legal, accounting, regulatory and tax advisers to the extent it has deemed appropriate,

and this Agreement supersedes any prior agreement or understanding (whether written or oral) between the Company and any Underwriter with respect to the subject matter of this Clause 15.1.30. The Company waives, to the fullest extent permitted by law, any claims it may have against any Underwriter for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that no Underwriter shall have any liability (whether direct or indirect) to the Company in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including its shareholders, employees and creditors;

**15.1.31 Anti-money laundering:** the operations of each of the Company and the other members of the Group are and have been conducted in compliance with all applicable financial record keeping and reporting requirements, including the applicable money laundering statutes of all jurisdictions relevant to each of the

Company and the other members of the Group, the rules and regulations thereunder and any regulation issued, administered or enforced by any governmental agency which has jurisdiction over the Company or any other member of the Group (collectively, the “**Anti-Money Laundering Laws**”) and none of the Company or any other member of the Group nor any director or officer of the Company or any other member of the Group nor, to the best knowledge of the Company, any employee, agent or other person acting on behalf of the Company or any other member of the Group, has engaged in any activity or conduct which would violate any Anti-Money Laundering Laws, and the Company has instituted and maintained policies and procedures designed to promote and ensure compliance with the Anti-Money Laundering Laws. No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any other member of the Group with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened;

**15.1.32 No unlawful payments:** none of the Company or any other member of the Group nor any Director or any director or officer of the Company or any other member of the Group nor, to the best knowledge of the Company, any, employee, agent or other person acting on behalf of the Company or any other member of the Group has in the past five years:

- (i) engaged in any activity or conduct which would violate or result in the violation by such person of any provision of any applicable anti-bribery or anti-corruption laws, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations promulgated thereunder, the OECD Convention on Combating Bribery of Foreign public Officials in International Business Transactions, 1997, the U.K. Bribery Act 2010 or any other similar applicable laws, rules, regulations and guidelines of any other jurisdiction to which they may be subject (the “**Anti-Bribery Laws**”);
- (ii) used any funds for any unlawful contribution, gift, entertainment or unlawful expense relating to political activity or to influence official action;
- (iii) made or taken any act in furtherance of an offer, promise or authorisation of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organisation, or any person acting in any official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; or
- (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or any other unlawful benefit, including without limitation, any rebate, pay-off, influence payment, kick-back or other unlawful or improper payment or benefit,

in each case in the course of the conduct of or in relation to the businesses or operations of the Group and each of the Company and the other members of the Group has instituted and maintained and will continue to maintain policies and procedures designed to promote and ensure compliance with the Anti-Bribery Laws;

**15.1.33 Sanctions:** none of the Company or any other member of the Group or any other entity where the risks and rewards of its operations are substantially borne by a

member of the Group (a “**JV entity**”) or any Director or any director or officer of the Company or any other member of the Group or a JV entity or, to the knowledge of the Company after due and careful enquiry, any employee or person acting on the behalf of the Company or any other member of the Group or a JV entity:

- (i) is an individual or entity (a “**Person**”) that is, or is owned or controlled by a Person that is, currently the target of, or the subject of any sanctions administered, imposed or enforced by the United States Government, including, without limitation, by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“**OFAC**”) or the US Department of State, the United Nations Security Council, the European Union, His Majesty’s Treasury, the Hong Kong Monetary Authority or other relevant sanctions authority (collectively, the “**Sanctions**”);
- (ii) for the past five years has knowingly engaged in, or is now knowingly engaged in any dealings or transactions with any Person that at the time of the dealing or transaction is or was the subject or the target of any Sanctions or with any Specified Country (as defined below); and
- (iii) is located, resident, organised or operating in a country or territory that is, or whose government is, the subject of any country or territory-wide Sanctions, including without limitation, the Crimea region, Russia, the so-called Donetsk People’s Republic and the so-called Luhansk People’s Republic Regions of Ukraine, Cuba, Iran, North Korea and Syria (each, a “**Specified Country**”); and

neither the Company nor any other member of the Group will directly or indirectly use the proceeds of the Rights Issue, or lend, contribute or otherwise make available all or any part of such proceeds to any subsidiary, affiliate, joint venture partner or other Person, for the purpose of funding, financing or facilitating the activities of or business or transactions with any Person, or in any country or territory, that, at the time of such funding, financing or facilitation, is or whose government is, (a) the subject of any Sanctions or operating in any country or territory that is the subject of Sanctions where such operations are in violation of such Sanctions or in any other manner that would result in a violation by any Person (including any Person participating in the Rights Issue, whether as underwriter, advisor, investor or otherwise) of such Sanctions, or (b) a Person or country or territory with which dealings are restricted or prohibited by any Sanctions (including any Person owned or controlled by any Person subject to any Sanctions). The undertaking provided in this Clause shall only be sought and given for the benefit of an Underwriter if and to the extent that doing so would be unenforceable under (i) Council Regulation (EC) No 2271/96 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union) or (ii) Council Regulation (EC) No 2271/96 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

**15.1.34 Stabilisation:** the Company has not issued, and will not issue, without the prior consent of the Underwriters, any press or other public announcement referring to the proposed Rights Issue unless the announcement adequately discloses the fact that stabilising action may take place in relation to the Rights Shares; neither the Company nor any of its affiliates (as defined in Rule 405 of the Securities Act), nor any person acting on its or their behalf (except that no representation is made with

respect to the Underwriters or their affiliates) has taken or will take, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to cause or result in, the stabilisation in violation of applicable laws or manipulation of the price of any security to facilitate the sale or resale of the Rights Shares;

**15.1.35 Foreign issuer and substantial U.S. market interest:** the Company is a “foreign issuer” (as such term is defined in Regulation S) which reasonably believes that there is no “substantial U.S. market interest” (as defined in Regulation S) in the Nil Paid Rights or the Rights Shares or securities of the Company of the same class as the Nil Paid Rights or the Rights Shares;

**15.1.36 No directed selling efforts:** neither the Company nor any of its affiliates (as defined in Rule 405 of the Securities Act) nor any persons acting on its or their behalf (except that no representation is made with respect to the Underwriters or any of their affiliates (as defined in Rule 405 of the Securities Act) or any person acting on behalf of any of them, as to whom no representation or warranty is made) has engaged or will engage in any “directed selling efforts” as defined in Regulation S with respect to the Nil Paid Rights or the Rights Shares;

**15.1.37 United States:** the Company shall offer and sell the Nil Paid Rights and the Rights Shares pursuant to the Rights Issue only outside the United States in offshore transactions with the meaning of and pursuant to Regulation S; and

**15.1.38 Use of proceeds:** the proceeds of the Rights Issue will be used in the manner set out in the Announcement and to be set out in the Prospectus and will not be used in violation of the Anti-Money Laundering Laws or the Anti-Bribery Laws.

**15.2** The Company undertakes to use its best endeavours not to cause or permit any Specified Event to occur prior to the Latest Time for Termination and (if this Agreement is not rescinded or terminated pursuant to Clause 17.1) all such warranties, representations and undertakings as are contained in Clause 15.1 shall be deemed to have been repeated on each day up to and including the date on which the Latest Time for Termination occurs, and as at the Latest Time for Termination, with reference to the facts and circumstances then subsisting.

**15.3** If any Specified Event shall occur or come to the knowledge of the Company prior to the Latest Time for Termination, it shall immediately give notice to the Underwriters of the same (giving reasonable details).

**15.4** The Company acknowledges that each Underwriter is entering into this Agreement in reliance on the representations, warranties and undertakings set out in this Clause 15 and each such representation, warranty and undertaking shall not be limited by reference (express or implied) to the terms of any other representation, warranty or undertaking or any other provision of this Agreement.

**15.5** The Company shall promptly notify the Underwriters (giving reasonable details) if it comes to the knowledge of the Company or any Director, prior to the Listing Date or the date on which the Underwriters’ obligations under this Agreement cease in accordance with Clause 2.4 and/or Clause 17, that:

(a) any statement in Clause 15.1 was breached or untrue, inaccurate, incomplete or misleading at the date of this Agreement; or

- (b) any statement in Clause 15.1 which relates to a fact, matter or event after such statement was given will or is reasonably likely to prove to be untrue, inaccurate, incomplete or misleading; or
- (c) any statement in Clause 15.1 would be breached or untrue, inaccurate, incomplete or misleading if repeated by reference to the facts and circumstances existing at any time up to the Listing Date,

or if the Company is in breach of any of its obligations under this Agreement.

**15.6** The representations, warranties and undertakings referred to in this Clause 15 will continue in full force and effect notwithstanding completion of all matters and arrangements referred to in, or contemplated by, this Agreement.

**15.7** Each Underwriter severally, and not jointly or jointly and severally, represents, warrants and undertakes to the Company that:

**15.7.1 Status:** it is a company duly incorporated and validly existing under the laws of its jurisdiction of incorporation, is in good standing (where applicable), is not in liquidation or receivership, and has full power and authority to conduct its business and is lawfully qualified to do business in those jurisdictions in which business is conducted by it;

**15.7.2 Power:** it has the full capacity and power to enter into and comply with all of the terms and conditions of this Agreement;

**15.7.3 Authorisations:** all approvals and authorisations that may be required to permit it to enter into this Agreement and to perform its obligations under this Agreement in accordance with its terms have been obtained and remain valid and subsisting;

**15.7.4 Validity of obligations:** this Agreement has been duly authorised, executed and delivered by it and constitutes valid, legally binding and enforceable obligations of the Underwriters subject to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and general principles of equity;

**15.7.5 U.S. selling restrictions:** it acknowledges that the Nil Paid Rights and the Rights Shares have not been and will not be registered under the Securities Act and agrees that the Nil Paid Rights and the Rights Shares may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under Regulation S) in reliance on Regulation S;

**15.7.6 No directed selling efforts:** neither it nor any of its affiliates (as defined in Rule 405 of the Securities Act) nor any persons acting on its or their respective behalf has engaged or will engage in any "directed selling efforts" as defined in Regulation S with respect to the Nil Paid Rights or the Rights Shares; and

**15.7.7 Not a substantial shareholder:** it is not entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company.

**15.7.8 Independence:** itself is a third party independent of the Company (i.e., not a connected person (as defined under the Listing Rules)) and the Company's connected persons.

## 16 INDEMNITY AND EXCLUSION OF LIABILITY

**16.1** The Company undertakes with each Underwriter (for each Underwriter, and on trust for any of its subsidiaries, branches, affiliates and advisers, and any directors, officers, employees and agents of such Underwriter, its subsidiaries, branches, affiliates and advisers, any sub-underwriters (if any) and any person (if any) who controls such Underwriter for the purposes of Section 15 of the Securities Act (each an “**indemnified party**”)), that it will hold harmless and fully and effectively indemnify each of them on an after-tax basis against all actions, suits, claims (whether or not any such claim involves or results in any actions or proceedings), demands, investigations, judgment, awards and proceedings, joint or several, from time to time instituted, made or brought or threatened or alleged to be instituted, made or brought against of involving an indemnified party (“**Actions**”) and all losses, liabilities and damage suffered and all payments, expenses (including legal expenses and taxes (as well as stamp duty and any penalties and/or interest arising in respect of any taxes)), costs and charges (including, without limitation, all payments, expenses, costs or charges suffered, made or incurred arising out of, in relation to or in connection with the investigation, dispute, defence or settlement of or response to any such Actions or the enforcement of any such settlement or any judgment obtained in respect of any such Actions) (“**Losses**”) which may be made or incurred or suffered by an indemnified party in relation to the Rights Issue and the provision of the Underwriters’ services under this Agreement (as global coordinator or underwriter, as the case may be), in each case in connection with or arising out of any of:

- (a) (i) any of the Announcement, the Prospectus Documents, the Investor Presentation, any other announcement, press release, communication or other document published, issued or despatched to any person(s) and authorised by the Company which relates to the Rights Issue or the application for Listing (or any amendment or supplement to any of them, and in each case whether or not approved by any Underwriter) (the “**Offer Documents**”) containing any untrue or inaccurate statement or alleged untrue or inaccurate statement of a material fact, or (ii) the omission or alleged omission from any of the Offer Documents of a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which there were made, not misleading, or (iii) any of the Offer Documents not containing or fairly presenting, or being alleged not to contain or fairly present, all information required to be contained therein, or (iv) any material statement in the Offer Documents being, or being alleged to be, in any respect not based on reasonable grounds, in light of the circumstances in which they were made;
- (b) any breach or allegation of any breach of the warranties, representations or undertakings given or made by the Company in this Agreement or arising out of the arrangements contemplated by any of the Offer Documents;
- (c) the issue, publication or distribution of the Offer Documents;
- (d) the allotment and issue of the Rights Shares (nil-paid and fully-paid);
- (e) the implementation of the Rights Issue;
- (f) any breach or alleged breach by the Company of, or any failure or alleged failure by the Company to comply with the Companies (WUMP) Ordinance, the Companies Ordinance, the Listing Rules or any other requirements of statute or regulation in relation to the application for Listing, the Rights Issue, or the arrangements contemplated by the Offer Documents, or any of them (or any amendment or

supplement to any of them), or this Agreement or any other agreement relating to the Rights Issue;

- (g) the provision of any Underwriter's services under this Agreement and the performance by any Underwriter or any other indemnified party on its behalf of obligations under this Agreement; and/or
- (h) the failure of the Committed Shareholder to subscribe or procure the subscription for its full entitlement of Rights Shares pursuant to the Rights Issue.

**16.2** An indemnified party shall not be entitled to any indemnity if and to the extent the right to indemnity arises solely under Clause 16.1(g) and relates to a Loss which is finally judicially determined in a court of competent jurisdiction to have arisen primarily from the gross negligence, wilful default or fraud of that indemnified party, in each case otherwise than in relation to any of the contents of, or any omissions from, the Announcement, the Prospectus Documents or any of them (or any amendment or supplement to any of them).

**16.3** The Company shall have no claim whatsoever against an indemnified party unless such claim is finally judicially determined in a court of competent jurisdiction to have arisen primarily from the gross negligence, wilful default or fraud on the part of the such indemnified party. For the avoidance of doubt, the gross negligence, wilful default or fraud (if any) on the part of one indemnified party shall not affect the reliance on this Clause 16 by the other indemnified parties.

**16.4** For the avoidance of doubt, the indemnity under this Clause 16 shall cover all costs, charges and expenses which any indemnified party may reasonably incur or pay in disputing, settling or compromising any Action to which the indemnity may relate and in establishing its right to indemnification under this Clause 16.

**16.5** All amounts subject to indemnity under this Clause 16 (if such amounts are disputed by the Company, that are finally determined in a court of competent jurisdiction to be so subject to indemnity) shall be paid by the Company as and when they are incurred within 30 Business Days of a written notice demanding payment being given to the Company by or on behalf of an indemnified party. All payments to be made pursuant to this Clause 16 shall be made in full without any set-off, deduction or withholding for or on account of any taxation unless the payer shall pay to the payee such increased amount as shall result, after the set-off, deduction or withholding of the relevant tax, in the receipt by the payee of a net amount equal to the full amount which would otherwise have been received by it had no such set-off, deduction or withholding been made.

**16.6** The foregoing provisions of this Clause 16 shall continue in full force and effect notwithstanding the issue of the Rights Shares.

## **17 RESCISSION AND TERMINATION**

**17.1** If at any time prior to the Latest Time for Termination:

- (a) any matter or circumstance arises as a result of which any of the conditions set out in Clause 2.1 has become incapable of satisfaction as at the required time;
- (b) the fact that any of the representations, warranties or undertakings contained in Clause 15 is untrue, inaccurate or misleading or has been breached in any respect comes to the knowledge of the Underwriters, or there has been a breach on the part of the Company of any other provision of this Agreement or a breach on the part of

the Committed Shareholder of the Irrevocable Undertaking, or the Underwriters have cause to believe that any such breach has occurred;

- (c) any event occurs or matter arises or is discovered, which, if it had occurred before the date of this Agreement or before any of the dates or before any time on which the representations, warranties and undertakings are deemed to be given pursuant to Clause 15.2 would have rendered or be expected to render any of those representations or warranties untrue, inaccurate, incomplete or misleading in any respect, or would have given rise to or be expected to give rise to any of those undertakings being breached;
- (d) any statement contained in the Announcement and/or a Prospectus Document and/or the Investor Presentation has become or been discovered to be untrue, incorrect, incomplete or misleading in any material respect, or matters have arisen or have been discovered which would, if the Announcement, a Prospectus Document and/or the Investor Presentation was to be issued at the time, constitute a material omission therefrom;
- (e) the Company: (A) withdraws the Prospectus (and/or documents issued or used in connection with the Rights Issue) or the Rights Issue; or (B) is required to produce a supplementary prospectus (unless the Company has obtained consent of the Underwriters to such supplementary prospectus); or (C) is required to include in the final Prospectus to be despatched on the Prospectus Date information which is not included in the draft Prospectus as at the date of this Agreement and which is or may be materially adverse to the Company or the Rights Issue, as a result of either a significant change affecting any matter contained in such draft Prospectus or a significant new matter that has arisen (unless the Company has obtained consent of the Underwriters to the inclusion of such information);
- (f) the Company's application to the Main Board of the Stock Exchange for permission for the listing of the Rights Shares (nil paid and fully paid) and permission to deal in the Rights Shares (nil paid and fully paid) on the Stock Exchange is withdrawn by the Company and/or rejected by the Stock Exchange;
- (g) any condition to enable the Nil Paid Rights to be admitted as eligible securities for deposit, clearance and settlement in CCASS is not satisfied or notification is received by the Company from HKSCC that such admission or facility for holding and settlement has been or is to be refused;
- (h) any expert, who has given advice which is contained in the Prospectus, has withdrawn its respective consent to the issue of the Prospectus with the inclusion of its reports, letters, opinions, advices or references to its name included in the form and context in which it respectively appears prior to the issue of the Prospectus;
- (i) any event, act or omission occurs which gives or is likely to give rise to any liability of the Company pursuant to the indemnities referred to in Clause 16; or
- (j) there has occurred, happened, come into effect or become public knowledge any event, series of events or circumstances concerning or relating to (whether or not foreseeable):
  - (A) any adverse change or prospective adverse change in the condition, results of operations, management, business, stockholders' equity, the financial or trading position and/or prospects of any member of the Group, but excluding



any unscheduled or unanticipated suspension of mining operations at, or the transport of copper concentrate from, the Company's mining project situated at Las Bambas, Peru as a result of protests or blockages or the consequences of any such suspension unless such suspension results in: (x) the cancellation of, or the declaration of force majeure in respect of, at least three scheduled shipments (after the date of this Agreement) of copper concentrate by the Company from Matarani Port; or (y) the amount of copper concentrate produced or transported by trucking from the Las Bambas mining project being, or being reasonably expected to be, less than 45,000 wet metric tonnes in any calendar month during the three calendar months following the date of this Agreement;

- (B) any change (whether or not permanent) in local, national or international financial, political, military, industrial, economic, legal, fiscal, regulatory or securities market matters or conditions or currency exchange rates or exchange controls in or affecting the PRC, Hong Kong, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States or Japan;
- (C) any event of force majeure including, without limitation, economic sanctions, strike or lock-out (whether or not covered by insurance), civil protest, riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis, in or affecting the PRC, Hong Kong, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States or Japan;
- (D) the declaration of a banking moratorium by the PRC, Hong Kong, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States or Japan authorities occurring due to exceptional financial circumstances or otherwise;
- (E) any moratorium, suspension or restriction on trading in shares or securities generally, or the establishment of minimum prices, on the Stock Exchange (or other stock exchanges such as in the PRC, the United Kingdom, Europe, the United States or Japan), or any major disruption of any securities settlement or clearing services in Hong Kong, Australia, PRC, the United Kingdom, Europe, the United States or Japan;
- (F) any suspension or any material limitation in trading in the Company's securities on the Stock Exchange (other than pending publication of announcing the Rights Issue or any other announcement relating to the Rights Issue or where such suspension is temporary or routine in nature for not more than two trading days);
- (G) any new law or regulation or any change, or any development involving a prospective change, in existing laws or regulations in Hong Kong or any other place in which any member of the Group conducts or carries on business;
- (H) a change or development occurs involving a prospective change in taxation in Hong Kong, the PRC, Australia, Peru, the Democratic Republic of Congo,

the Republic of Botswana, the United Kingdom, Europe, the United States, Japan or any other jurisdiction(s) to which any member of the Group is subject or the implementation of any exchange controls;

- (I) any litigation or claim of material impact to the business, financial or operations of the Group being threatened or instituted against any member of the Group;
- (J) the imposition of economic sanctions, in whatever form, directly or indirectly, in Hong Kong, the PRC, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States, Japan or any other jurisdiction(s) relevant to the Group;
- (K) any governmental or regulatory commission, body, authority or agency, or any stock exchange, self-regulatory organisation or other non-government regulatory authority or any court, tribunal or arbitrator, whether national, central, federal, provincial, state, regional, municipal, in any relevant jurisdiction commencing any investigation, or formally announcing to investigate or take other legal actions, against the Group or any of the Directors in respect of any matter related to the Group's business, which investigation has or would have material adverse effect on the traded price of the Shares or the Group (taken as a whole); or
- (L) order or petition for the winding up of any members of the Group or any composition or arrangement made by any members of the Group with its creditors or a scheme of arrangement entered into by any members of the Group or any resolution for the winding up of any members of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any members of the Group or anything analogous thereto occurring in respect of any members of the Group;

the effect of which events or circumstances referred to in this Clause 17.1(j) above, individually or in the aggregate (in the reasonable opinion of the Underwriters): (i) is, or would be, or is likely to be, materially adverse to, or materially prejudicially affects, or would materially prejudicially affect, the results of operation, general affairs, management, business, properties, financial, trading or other condition or prospects of the Group as a whole, (ii) has or will have or is likely to have a material adverse impact on, or prejudicially affects or would prejudicially affect, the success of the Rights Issue or dealings in the Rights Shares in the secondary market, or (iii) makes or may make it impracticable to proceed with the Rights Issue on the terms and in the manner contemplated in the Announcement and the Prospectus Documents, or (vi) will make or is likely to make this Agreement incapable of performance in accordance with its terms or prevent the processing of applications and/or payments pursuant to the Rights Issue or pursuant to the underwriting thereof,

then in any such case the Underwriters may by notice in writing to the Company, served prior to the Latest Time for Termination, rescind or terminate this Agreement.

- 17.2** If prior to the Latest Time for Termination any notice is given by the Underwriters in accordance with Clause 17.1, the obligations of all parties under this Agreement (save in respect of Clauses 1, 12, 16, 17, 24 and 25 which shall remain in full force and effect) shall terminate forthwith and no party will have any claim against any other for costs, damages,

compensation or otherwise, provided that such termination or rescission shall be without prejudice to the rights of the parties hereto in respect of any breach of this Agreement occurring prior to such termination. For the avoidance of doubt, the Underwriters shall not be entitled to give a notice pursuant to Clause 17.1 at any time after its obligations under this Agreement have terminated pursuant to Clause 10.1.

## **18 TIME OF ESSENCE**

Any time, date or period mentioned in this Agreement may be extended by mutual agreement between the Company and the Underwriters, but as regards any time, date or period originally fixed or any time, date or period so extended as aforesaid, time shall be of the essence.

## **19 REGISTRAR**

**19.1** The Company confirms that it has instructed the Registrar to act as receiving agent in Hong Kong in connection with the Rights Issue and as registrar in relation to the Nil Paid Rights and to perform the obligations assigned to it under the Prospectus, the Provisional Allotment Letters, the Excess Application Forms and this Agreement as receiving agent.

**19.2** The Company will provide the Registrar with all necessary authorisations and information to enable it to perform its duties in connection with the Rights Issue.

## **20 WAIVER**

**20.1** Any right or remedy of any Underwriter under this Agreement shall only be waived or varied by an express waiver or variation in writing by such Underwriter.

**20.2** No failure or delay by any Underwriter in exercising any right or remedy under this Agreement shall impair such right or remedy or operate or be construed as a waiver or variation of the right or remedy or preclude its exercise at any subsequent time. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of such right or remedy or the exercise of any other right or remedy. The rights, powers and remedies of each Underwriter provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by law.

## **21 VARIATION**

No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of the Underwriters and the Company.

## **22 FURTHER ASSURANCES**

The Company shall register the Rights Shares in the names of the successful applicants, and shall provide, and shall procure that the Directors shall provide, all information and assistance that an Underwriter may reasonably require for the purposes of this Agreement and execute (or procure to be executed) each document and do (or procure to be done) each act and thing that an Underwriter may reasonably request in order to give effect to the Rights Issue or Listing.

## 23 SEVERABILITY

If any provision of this Agreement is or is held to be invalid or unenforceable, then so far as it is invalid or unenforceable it has no effect and is deemed not to be included in this Agreement. This shall not invalidate any of the remaining provisions of this Agreement. The parties shall use all reasonable endeavours to replace any invalid or unenforceable provision by a valid provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

## 24 NOTICES

**24.1** Any notice required to be given under this Agreement shall be deemed to be duly given if it is in English in writing and left at or sent by hand or e-mail transmission or pre-paid local post to the registered office or to the following addresses and e-mail addresses and marked for the attention of the following persons:

### *The Company*

Address: Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong

E-mail: nick.myers@mmg.com

Attention: Nicholas Myers, General Counsel

### *Citi*

Address: 50/F Champion Tower, Three Garden Road, Central, Hong Kong

E-mail: dl.bcma.asia.ecm.syndicate@imcap.ap.ssmc.com

Attention: Citi Asia ECM Syndicate Team

### *Macquarie*

Address: Level 22, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong

E-mail: MACCAPACSECMAsiaTransactionExecution@macquarie.com

Attention: ECM

### *MLAP*

Address: 55/F, Cheung Kong Centre, 2 Queen's Road Central, Central, Hong Kong

E-mail: betty.li@bofa.com

Attention: LI Xiang Betty

### *Huatai*

Address: 62/F., The Center, 99 Queen's Road, Central, Hong Kong

E-mail: projectribot@htsc.com

Attention: ECM

**24.2** Any such notice shall be deemed to be given (i) if sent by e-mail, at the time of sending provided that receipt will not occur if the sender receives an automated message that the e-mail has not been delivered to the recipient, (ii) if sent by hand, at the time when the same

is handed to or left at the address of the party to be served, and (iii) if sent by local post on the second Business Day after the day of posting.

## **25 GOVERNING LAW AND LIABILITY**

**25.1** This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.

**25.2** Each party to this Agreement agrees that any dispute, controversy, differences or claim arising out of or relating to this Agreement, including its subject matter, existence, negotiation, validity, invalidity, interpretation, performance, breach, termination or enforceability, including any dispute regarding non-contractual or pre-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("**HKIAC**") in accordance with the HKIAC Administered Arbitration Rules (the "**Rules**") in force when the notice of arbitration is submitted in accordance with the Rules, as may be supplemented or amended by this Clause 25.2. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three, to be appointed in accordance with the Rules. The arbitration proceedings shall be conducted in English. This arbitration clause shall be governed by the laws of Hong Kong. The rights and obligations of the parties to submit disputes to arbitration pursuant to this Clause 25.2 shall survive the termination of this Agreement and the completion of the Rights Issue and the matters and arrangements referred to or contemplated in this Agreement. The decisions and awards of the tribunal will be final and binding and will be enforceable in any court of competent jurisdiction. Nothing in this Clause 25.2 shall be construed as preventing any party from seeking conservatory or interim relief. Any award of the tribunal will be binding on the parties from the day it is made.

**25.3** Any liability of any party under this Agreement to any other party may in whole or in part be released, compounded or compromised, and time or indulgence may be given by any party under this Agreement as regards any other party under such liability without prejudicing that party's rights against any other person under the same or a similar liability.

## **26 U.S. SPECIAL RESOLUTION REGIMES; UK BAIL-IN PROVISIONS**

**26.1** In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that an Underwriter that is a Covered Entity or a BHC Act Affiliate of the Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

In this Clause 26.1:

"**BHC Act Affiliate**" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

**"Covered Entity"** means any of the following:

- (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

**"Default Right"** has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

**"U.S. Special Resolution Regime"** means each of (i) the U.S. Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the U.S. Dodd-Frank Wall Street Re-form and Consumer Protection Act and the regulations promulgated thereunder.

**26.2** Notwithstanding and to the exclusion of any other term of this Agreement or any other agreements, arrangements or understanding between an Underwriter on the one hand and the Company the other, the Company acknowledges and accepts that a UK Bail-in Liability arising under this Agreement may be subject to the exercise of UK Bail-in Powers by the relevant UK resolution authority, and acknowledges, accepts, and agrees to be bound by:

**26.2.1** the effect of the exercise of UK Bail-in Powers by the relevant UK resolution authority in relation to any UK Bail-in Liability of an Underwriter to the Company under this Agreement, that (without limitation) may include and result in any of the following, or some combination thereof:

- (i) the reduction of all, or a portion, of the UK Bail-in Liability or outstanding amounts due thereon;
- (ii) the conversion of all, or a portion, of the UK Bail-in Liability into shares, other securities or other obligations of the Underwriter or another person (and the issue to or conferral on the Seller of such shares, securities or obligations);
- (iii) the cancellation of the UK Bail-in Liability;
- (iv) the amendment or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period;

**26.2.2** the variation of the terms of this Agreement, as deemed necessary by the relevant UK resolution authority, to give effect to the exercise of UK Bail-in Powers by the relevant UK resolution authority.

For the purposes of this Clause 26.2:

**"UK Bail-in Legislation"** means Part I of the UK Banking Act 2009 and any other law or regulation applicable in the UK relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings);

**"UK Bail-in Liability"** means a liability in respect of which the UK Bail-in Powers may be exercised; and

**“UK Bail-in Powers”** means the powers under the UK Bail-in Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or affiliate of a bank or investment firm, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability.

## **27 COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which when executed and delivered is an original, but all the counterparts together constitute the same document.

## **28 ENTIRE AGREEMENT**

This Agreement, together with any engagement letter entered into between the Company and any of the Underwriters, constitutes the entire agreement between the Company and the Underwriters relating to the underwriting of the Rights Issue and supersedes and extinguishes any prior drafts, agreements, undertakings, understanding, representations, warranties and arrangements of any nature whatsoever, whether or not in writing, relating to such matters as have been regulated by the provisions of this Agreement.

## **29 THIRD PARTY RIGHTS**

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Cap 623) to enforce any term of, or enjoy any benefit under, this Agreement.

**SCHEDULE 1**  
**DETAILS OF THE COMMITTED SHAREHOLDER**

<b>Name of Committed Shareholder</b>	<b>Number of Shares held</b>	<b>Number of Rights Shares to be taken up</b>
China Minmetals H.K. (Holdings) Limited	5,847,166,374	2,338,866,549



## **SCHEDULE 2 DELIVERY OF DOCUMENTS**

### **Part A**

On the date of this Agreement, the Company shall deliver or procure delivery of the following documents to each Underwriter:

- 1** Certified copy of the resolutions of the Board (or of the duly authorised representatives of the Board) approving and authorising, *inter alia*, the Rights Issue, the publication of the Announcement and the execution and performance of this Agreement.
- 2** Copy of the Announcement.
- 3** Copy of the then latest draft of the Prospectus as at the date of this Agreement.
- 4** Original of the Irrevocable Undertaking duly signed by the Committed Shareholder.

### **Part B**

As soon as reasonably practicable after the date of this Agreement, and no later than 9:00 p.m. on the Business Day immediately before the Prospectus Date, the Company shall deliver or procure delivery of the following documents to each Underwriter:

- 1** Certified copy of the signed application for the listing of and permission to deal in the Rights Shares (nil-paid and fully-paid) on the Stock Exchange (Form C1).
- 2** Certified copy of the Listing Approval.
- 3** Certified copy of the letter from HKSCC confirming the Nil Paid Rights and the Rights Shares are accepted as eligible securities in CCASS.
- 4** Certified copy of the certificate of authorisation issued by the Stock Exchange for registration of the Prospectus with the Registrar of Companies in Hong Kong.
- 5** Certified copy of the letter from the Registrar of Companies in Hong Kong confirming registration of the applicable Prospectus Documents under section 38D of the Companies (WUMP) Ordinance.
- 6** Certified copy of the certificate as to the accuracy of the translation of the Prospectus into the Chinese language given by the relevant translator thereof.
- 7** Certified copy of the certificate issued by the Company as to the competency of the translator referred to in paragraph 6 of this Part B.
- 8** Certified copy of the resolutions of the Board (or of the duly authorised representatives of the Board) approving and authorising, *inter alia*, the issue of the Prospectus and the provisional allotment of the Rights Shares.
- 9** Certified copy of relevant power of attorney, responsibility letter and statement of interests (in each case in form and substance satisfactory to the Underwriters) signed by each Director.
- 10** Certified copy of each of the Prospectus Documents duly signed by every Director or his or her authorised agent in accordance with section 38D of the Companies (WUMP) Ordinance

dated the Prospectus Date, together with any other documents required by applicable law to be annexed thereto.

- 11** Original of the Verification Notes duly signed by each person referred to as being responsible in the Verification Notes.
- 12** Original of the Working Capital Memorandum dated the Prospectus Date, prepared by the Board and signed by a Director for and on behalf of the Board.
- 13** Original of each of the signed engagement letter and signed arrangement letter from Deloitte Touche Tohmatsu, reporting accountants to the Company.
- 14** Original signed Hong Kong comfort letter under HKSIR400 (revised) from Deloitte Touche Tohmatsu relating to financial information in respect of the Company, in form and substance satisfactory to the Underwriters, addressed to the Board and the Underwriters and dated the Prospectus Date.
- 15** Original letters in the agreed form dated the Prospectus Date from Deloitte Touche Tohmatsu, addressed to the Company and the Underwriters, giving comfort on:
  - (i) the statement of indebtedness;
  - (ii) the statement of sufficiency of working capital; and
  - (iii) pro forma information,and consenting to the issue of the Prospectus with the inclusion of its report(s) and statement(s).
- 16** Original opinion of Herbert Smith Freehills, counsel to the Company as to Hong Kong law, addressed to the Underwriters and dated the Prospectus Date, in form and substance satisfactory to the Underwriters.
- 17** Certified copy of the letters dated the Prospectus Date referred to in the paragraph headed "Qualification and Consent of Experts" in the Prospectus, containing consents, among other things, to the issue of the Prospectus with the inclusion of references to their respective names, and where relevant, their reports and letters in the form and context in which they are included.

The Underwriters may, in their absolute discretion, elect that delivery of any of the documents referred to in this Part B of Schedule 2 be deferred and, in lieu of any such delivery, require delivery of the relevant documents in a form reasonably satisfactory to them at a later time specified by them.

### **Part C**

No later than 9:00 p.m. on the Prospectus Date, the Company shall deliver or procure delivery of the following document to each Underwriters:

- 1** Original certificate duly signed by an authorised representative of the Board, dated as of the Prospectus Date, in the form set out in Exhibit A hereto.

### **Part D**

At or before the Time of Sale, the Company shall deliver or procure delivery of the following document to each Underwriter, in each case dated the date on which the Time of Sale occurs:

- 1 Original certificate duly signed by an authorised representative of the Board in the form set out in Exhibit A hereto.

## **Part E**

On or prior to the Listing Date, the Company agrees to deliver or procure delivery of the following documents to each Underwriter:

- 1 Original opinion of Herbert Smith Freehills, counsel to the Company as to Hong Kong law, addressed to the Company and the Underwriters and dated the Listing Date, in form and substance satisfactory to the Underwriters.
- 2 Original signed bring-down Hong Kong comfort letter under HKSIR400 (revised) from Deloitte Touche Tohmatsu relating to financial information in respect of the Company, in form and substance satisfactory to the Underwriters, addressed to the Board and the Underwriters and dated the Listing Date.
- 3 Original certificate duly signed by an authorised representative of the Board, dated the Listing Date, in the form set out in Exhibit A hereto.

## **Part F**

No later than 9:00 p.m. on the Business Day immediately prior to the publication of any supplementary prospectus (if any), the Company shall deliver to each Underwriter:

- 1 Certified copy of resolutions of the Board (or of the duly authorised representatives of the Board) approving and authorising the supplementary prospectus.
- 2 Certified copy of the certificate of authorisation issued by the Stock Exchange for registration of the supplementary prospectus with the Registrar of Companies in Hong Kong.
- 3 Certified copy of letter from Registrar of Companies in Hong Kong confirming registration of the supplementary prospectus under section 38D of the Companies (WUMP) Ordinance.
- 4 Certified copy of the supplementary prospectus duly signed by every Director or his or her authorised agent in accordance with section 38D of the Companies (WUMP) Ordinance dated the date of the supplementary prospectus, together with any other documents required by applicable law to be annexed thereto.
- 5 Certified copy of the certificate as to the accuracy of the translation of the Prospectus into the Chinese language given by the relevant translator thereof.
- 6 Certified copy of the certificate issued by the Company as to the competency of the translator referred to in paragraph 6 of this Part E.
- 7 Original of the Verification Notes in respect of the supplementary prospectus duly signed by each person referred to as being responsible in the Verification Notes.
- 8 Original signed bring-down Hong Kong comfort letter under HKSIR400 (revised) from Deloitte Touche Tohmatsu, in form and substance satisfactory to the Underwriters, addressed to the Board and the Underwriters and dated the date of the supplementary prospectus.

- 9** Original bring down letters in the agreed form dated the date of the supplementary prospectus from Deloitte Touche Tohmatsu, addressed to the Company and Underwriters, giving comfort on:
- (i) the statement of indebtedness;
  - (ii) the statement of sufficiency of working capital; and
  - (iii) the pro forma information,
- and consenting to the issue of the supplementary prospectus with the inclusion of its report(s) and statement(s).
- 10** Original of an opinion of Herbert Smith Freehills, counsel to the Company as to Hong Kong law, addressed to the Underwriters and dated the date of the supplementary prospectus, in form and substance satisfactory to the Underwriters.
- 11** Original certificate duly signed by an authorised representative of the Board, dated as of the date of the supplementary prospectus, in the form set out in Exhibit A hereto.
- 12** Where applicable, certified copy of the letters dated the date of the supplementary prospectus referred to in the paragraph headed “Qualification and Consent of Experts” in the supplementary prospectus, containing consents, among other things, to the issue of the supplementary prospectus with the inclusion of references to their respective names, and where relevant, their reports and letters in the form and context in which they are included.

**EXHIBIT A**  
**CERTIFICATE SIGNED BY AUTHORISED REPRESENTATIVE OF THE BOARD**

To: Citigroup Global Markets Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5 LB  
United Kingdom

Macquarie Capital Limited  
Level 22  
One International Finance Centre  
1 Harbour View Street  
Central  
Hong Kong

Merrill Lynch (Asia Pacific) Limited  
55/F, Cheung Kong Centre  
2 Queen's Road Central  
Central, Hong Kong

Huatai Financial Holdings (Hong Kong) Limited  
62/F.  
The Center  
99 Queen's Road  
Central  
Hong Kong

[●] 2024

Dear Sirs

We refer to the underwriting agreement between us dated [●] 2024 (the “**Underwriting Agreement**”).

We hereby certify that, to the best of our knowledge, after due and careful enquiry:

- (a) the Company has performed all obligations on its part to be performed pursuant to the Underwriting Agreement at or before the date thereof;
- (b) each of the conditions set out in clause 2.1 of the Underwriting Agreement (the “**Conditions**”) which are required to be satisfied on or before the date of this letter (other than the satisfaction of such Conditions which have been waived or extended by or on behalf of the Underwriters to a date which is after the date of this letter) has been satisfied as at the date of this letter;
- (c) we are not aware of any reason why the Conditions will not continue to be satisfied or cannot be satisfied (as the case may be) as at the Latest Time for Termination; and

- (d) so far as we are aware after due and careful consideration and enquiry, no event has occurred or matter arisen which would entitle the Underwriters to terminate the Underwriting Agreement under clause 17.1 of the Underwriting Agreement.

Capitalised terms used herein that are not otherwise defined shall have the same meanings given to them in the Underwriting Agreement.

Yours faithfully  
For and on behalf of  
**MMG Limited**

.....

[Name]  
Authorised representative

**EXHIBIT B**  
**IRREVOCABLE UNDERTAKING**

**CHINA MINMETALS H.K. (HOLDINGS) LIMITED**

[Address]

**MMG Limited**

Unit 1208, 12/F  
China Minmetals Tower  
79 Chatham Road South  
Tsimshatsui  
Kowloon, Hong Kong  
("MMG")

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London, United Kingdom

**Macquarie Capital Limited**

Level 22  
One International Finance Centre  
1 Harbour View Street  
Central, Hong Kong

**Merrill Lynch (Asia Pacific) Limited**

55/F, Cheung Kong Centre  
2 Queen's Road Central  
Central, Hong Kong

**Huatai Financial Holdings (Hong Kong) Limited**

62/F., The Center  
99 Queen's Road  
Central, Hong Kong

(each an "Underwriter", and collectively the "Joint Underwriters")

[●] 2024

Dear Sirs,

**Irrevocable letter of undertaking (the "Undertaking") in relation to the rights issue of [●] Rights Shares at HK\$[●] per Rights Share on the basis of [2] Rights Share for every [5] Shares in issue at 5:00 p.m. on the Record Date (the "Rights Issue")**

We refer to the announcement proposed to be published on or around [●] 2024 by MMG in relation to the Rights Issue (the "**Announcement**"), an advanced draft of which is attached in Appendix 1 to this Undertaking for identification purposes, and the underwriting agreement to be entered into between MMG and the Joint Underwriters on or around [●] 2024 in connection with the Rights Issue (the "**Underwriting Agreement**"). Unless otherwise defined in this Undertaking, words and expressions defined in the Announcement shall have the same meanings when used in this Undertaking.

We hereby represent and warrant to you that:



- (1) China Minmetals H.K. (Holdings) Limited (“**Minmetals**”) is the legal owner of a total of [5,847,166,374] Shares (the “**Relevant Shares**”) as at the date of this Undertaking, representing approximately [67.55]% of the current issued share capital of MMG;
- (2) that the Relevant Shares, as at the date of this Undertaking, are free of:
  - (i) any mortgage, charge, pledge, lien or other security interest;
  - (ii) any option, restriction, right of first refusal, right of pre-emption; or
  - (iii) any other third party claim, right, interest or preference or any other encumbrance of any kind; and
- (3) no approval from the government authorities having jurisdiction over us is required for subscribing the Committed Shares (as defined below).

We are aware that MMG proposes to offer by way of a rights issue an aggregate of [●] Rights Shares at HK\$[●] per Rights Share on the basis of [2] Rights Share for every [5] Shares in issue at 5:00 p.m. on the Record Date to the Qualifying Shareholders.

In connection with the Rights Issue, we irrevocably undertake:

- (1) to procure that the Relevant Shares remain registered in the name of Minmetals until 5:00 p.m. on the Record Date;
- (2) to accept or procure the acceptance of the [●] Rights Shares (the “**Committed Shares**”) to be provisionally allotted to us in respect of the [5,847,166,374] Shares registered in our name pursuant to the Rights Issue;
- (3) to procure that the PAL(s) in respect of the Committed Shares shall be lodged with the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, with full payment therefor in accordance with the terms of the Prospectus Documents, by no later than 4:00 p.m. on the Business Day immediately before the last day the Rights Issue is open for acceptance, and to deliver promptly to each Underwriter a certified true copy of such PAL(s) or such other documentation evidencing that the PAL(s) has/have been lodged and duly paid for;
- (4) to waive any rights, if any, and whether by virtue of the constitutional documents of MMG, operation of applicable laws, regulations, the Listing Rules, contractual arrangements or otherwise, to withdraw our acceptance in respect of the Committed Shares;
- (5) to procure that, for the period from the date of this Undertaking until the first day of trading of the Rights Shares in their fully-paid form on the Stock Exchange, subject to having obtained the prior written consent of the Joint Underwriters and MMG, no action shall be taken and no statement shall be made to the public which is or may be prejudicial to the successful completion of the Rights Issue, unless otherwise required or caused by any law or regulation, the Stock Exchange, SFC, or any other regulatory, judicial, governmental or other authorities or court having jurisdiction over us (the “**Applicable Laws and/or Regulators**”) (but in such case, subject to prior consultation with the Joint Underwriters and MMG);
- (6) without first having obtained the prior written consent of the Joint Underwriters and MMG, not to, and to procure our parent company, subsidiaries and fellow subsidiaries not to, transfer or otherwise dispose of (including, without limitation, through entering into any agreement to dispose of, or the creation of any option or derivative over) or acquire (except by taking up Rights Shares provisionally allotted to us pursuant to the Rights Issue or acquiring Nil Paid Rights or submitting EAFs or acquiring Shares in circumstances which do not contravene the Listing Rules and/or the Code on Takeovers and Mergers of Hong Kong and do not render information submitted to the Stock Exchange and/or the SFC to become untrue, inaccurate or misleading

in any material respect (whether by omission or otherwise)) any Share or any interest therein from the date of this Undertaking until and including the date of completion of the Rights Issue (the "**Closing Date**");

- (7) from the Closing Date until [90] days from the Closing Date, except with the prior written consent of the Joint Underwriters, not to:
- (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of or create any encumbrance over (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares (including the Rights Shares provisionally allotted to us) or any interests therein beneficially owned or held by us or such controlled companies or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Shares or interests;
  - (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares;
  - (iii) enter into any transaction with the same economic effect as any transaction described in paragraphs (7)(i) and (ii); or
  - (iv) offer to or agree to or announce any intention to enter into or effect any such transaction described in paragraphs 7(i), 7(ii) or 7(iii) above,

in each case, whether any such transaction described in paragraphs 7(i), 7(ii) or 7(iii) is to be settled by delivery of Shares or such other securities, in cash or otherwise;

- (8) to make available sufficient funds in Hong Kong dollars for full payment of the subscription monies upon the lodging of the PAL(s) and the EAF(s), in accordance with the terms of the Prospectus Documents by no later than 4:00 p.m. on the last day the Rights Issue is open for acceptance.

The undertakings in paragraphs (1) to (8) above are conditional upon such undertakings not resulting in MMG's non-compliance with the public float requirements under the Listing Rules and, in addition, subject to:

- (i) the publication of the Announcement by MMG; and
- (ii) the Joint Underwriters not exercising their right to terminate the Underwriting Agreement in accordance with its terms.

In the event that we should fail to comply with the undertakings given herein, we hereby irrevocably authorise MMG to treat this Undertaking as our application for all the Committed Shares in accordance with the terms of the Rights Issue (as set forth in the Prospectus Documents), to allot and issue the same in our name (or otherwise as we shall direct) and to procure the registration of the same in our name (or otherwise as we shall direct). Payment for the same shall be made by us or on our behalf forthwith.

We acknowledge and agree that the Joint Underwriters have not assumed, nor will they assume, any advisory or fiduciary responsibility in favour of us with respect to the Rights Issue, the process leading thereto or this Undertaking, and the Joint Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the Rights Issue or this Undertaking.

We consent to the Announcement, the Prospectus Documents and any necessary announcements or corporate communications of MMG containing references to us as owners of the Relevant Shares and to this Undertaking and its particulars being set out in the Announcement, the Prospectus Documents and any necessary announcements or corporate communications and to this

Undertaking being made available for public inspection if required by any Applicable Laws and/or Regulators.

We understand that the information provided to us in relation to the Rights Issue is given in confidence and must be kept confidential until the Announcement is released or the information has otherwise become generally available in the public domain. We confirm that, before publication of the Announcement, we have not disclosed this information to any other person or dealt, or procured or recommended others to deal, in any securities of MMG or otherwise based any behaviour in relation to the securities of MMG on such information in violation of any laws, rules and regulations (including without limitation the Listing Rules and the SFO), and we undertake that we will not do so prior to such time. The provisions of this Undertaking shall be governed by and construed in accordance with the laws of Hong Kong and we hereby submit to the non-exclusive jurisdiction of the courts of Hong Kong.

This Undertaking is duly executed and delivered as a deed on the date first above written.

**EXECUTED and DELIVERED** )  
as a **DEED** )  
under the common seal of )  
**CHINA MINMETALS H.K. (HOLDINGS)** )  
**LIMITED** )

Name, address and signature of the director(s) of China Minmetals H.K. (Holdings) Limited:

Signature:

Name:

Address:

Name, address and signature of witness:

Signature:

Name:

Address:

## **Appendix 1: Advanced Draft of the Announcement**

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

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*This announcement is for information purposes only. It is not an offer to sell or the solicitation of an offer to acquire, purchase, subscribe or dispose of any securities and neither this announcement nor anything herein forms the basis for any contract or commitment whatsoever.*

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*Neither this announcement nor any copy thereof may be taken into or distributed in the United States or in any other jurisdiction where such release might be unlawful. The Nil Paid Rights, the Rights Shares and the PALs and EAFs mentioned herein have not been, and will not be, registered under the U.S. Securities Act, and may not be offered or sold in the United States unless registered under the U.S. Securities Act or pursuant to an exemption from, or in a transaction not subject to, registration under the U.S. Securities Act. There will be no public offering of securities in the United States.*



**MMG LIMITED**

**五礦資源有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(STOCK CODE: 1208)**

**(1) PROPOSED RIGHTS ISSUE OF [3,465,432,486] RIGHTS  
SHARES AT HK\$[2.62] PER RIGHTS SHARE  
ON THE BASIS OF [2] RIGHTS SHARES FOR EVERY [5]  
SHARES HELD ON THE RECORD DATE**

**(2) CLOSURE OF BOOKS**

**AND**

**(3) RESUMPTION OF TRADING**

*Sole Global Coordinator to the Rights Issue*



*Joint Underwriters to the Rights Issue*



**MACQUARIE**

**BofA SECURITIES**



**华泰国际**  
HUATAI INTERNATIONAL

## **PROPOSED RIGHTS ISSUE**

The Company proposes to raise approximately HK\$[9,079] million before expenses, or approximately HK\$[8,986] million after expenses, by way of the Rights Issue of [3,465,432,486] Rights Shares, at the Subscription Price of HK\$[2.62] per Rights Share.

The Company will provisionally allot [2] Nil Paid Rights for every [5] Shares held by each Qualifying Shareholder on the Record Date. Fractional entitlements will not be allotted and the Company will not accept application for any fractions of the Rights Shares. All fractions of Rights Shares will be aggregated (and the Rights Shares rounded down to the nearest whole number) and all Nil Paid Rights arising from such aggregation will be provisionally allotted (in nil-paid form) to the Sole Global Coordinator, and will be sold in the market on behalf of the Company if a premium (net of expenses) can be obtained, with the Company retaining the proceeds for its own benefit.

The Rights Issue will not be available to the Non-Qualifying Shareholders.

The net proceeds of the Rights Issue will be used to repay existing debt, which will allow the Company to use other funds to better support the ongoing development of the Company's operating mines.

## **COMMITTED SHAREHOLDER IRREVOCABLE UNDERTAKING**

As at the date of this announcement, the Committed Shareholder is beneficially interested in [5,847,166,374] Shares, representing [67.49]% of the total number of issued Shares. The Committed Shareholder has irrevocably undertaken to the Company and the Joint Underwriters that, among other things, it will subscribe or procure the subscription for the Undertaken Shares to be provisionally allotted to it (which comprise the full acceptance of its aggregate provisional entitlement in respect of the Committed Shareholder Irrevocable Undertaking Shares), subject to the terms and conditions of the Rights Issue.

Save for the Committed Shareholder Irrevocable Undertaking as stated above, the Company has not received any information or irrevocable undertakings from any other Shareholders of their intention in relation to the Rights Shares to be provisionally allotted to them under the Rights Issue as at the date of this announcement.

## **UNDERWRITING AGREEMENT**

On [Monday], [3 June] 2024 [(after trading hours)], the Company and the Joint Underwriters entered into the Underwriting Agreement, pursuant to which, among other things, the Joint Underwriters have conditionally agreed to fully underwrite all the Rights Shares excluding the Undertaken Shares. Details of the major terms and conditions of the Underwriting Agreement are set out in the section headed “Underwriting Agreement” in this announcement.

## **EXPECTED TIMETABLE**

The last day for dealing in the Shares on a cum-rights basis is [Friday], [7 June] 2024. The Shares are expected to be dealt in on an ex-rights basis from [Tuesday], [11 June] 2024. To qualify for the Rights Issue, a Qualifying Shareholder’s name must appear on the register of members of the Company at [5:00 p.m.] on the Record Date, which is currently expected to be [Wednesday], [19 June] 2024. In order to be registered as a member at [5:00] p.m. on the Record Date, any transfer of Shares (together with the relevant share certificate(s)) must be lodged with the Registrar for registration by [4:30 p.m.] on [Wednesday], [12 June] 2024 (the register of members of the Company will be closed from [Thursday], [13 June] 2024 to [Wednesday], [19 June] 2024, both days inclusive).

The Latest Time for Acceptance is expected to be [4:00 p.m.] on [Friday], [5 July] 2024. The Company will make an application to the Listing Committee of HKEX for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. For details of the trading arrangements, please refer to the section headed “Expected Timetable” in this announcement.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the proposed Rights Issue is not expected to increase the number of issued shares or the market capitalization of the Company by more than 50% within the 12-month period immediately preceding the date of the announcement, there is no requirement under the Listing Rules for the Rights Issue to be approved by Shareholders in a general meeting pursuant to Rule 7.19A(1) of the Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the proposed Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The public float requirements under the Listing Rules shall be fulfilled by the Company at all times. The Company will take all appropriate steps to ensure that sufficient public float be maintained at all times in compliance with Rule 8.08 of the Listing Rules.



## **GENERAL**

The Prospectus containing further information in relation to the Rights Issue and financial and other information relating to the Group is expected to be despatched by the Company, together with the PALs and EAFs, to Qualifying Shareholders on or before [Thursday], [20 June] 2024. A copy of the Prospectus will also be made available on the websites of the Company (<http://www.mmg.com>) and HKEX (<http://www.hkexnews.hk>). To the extent reasonably practicable and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, the Company will send copies of the Prospectus to Non-Qualifying Shareholders outside of the United States for their information only but will not send any PALs or EAFs to them.

## **TRADING HALT AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on HKEX was halted with effect from [9:00] a.m. on Monday, 3 June 2024 pending the release of this announcement. Application has been made to HKEX for the resumption of trading in the Shares from [9:00 a.m.] on Tuesday, 4 June 2024.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL PAID RIGHTS**

**Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Joint Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the sections headed “Underwriting Agreement — Conditions of the Underwriting Agreement” and “Underwriting Agreement — Termination of the Underwriting Agreement”). Accordingly, the Rights Issue may or may not proceed.**

**The Shares are expected to be dealt in on an ex-rights basis from [Tuesday], [11 June] 2024. Dealings in the Nil Paid Rights are expected to take place from [Monday], [24 June] 2024 to [Tuesday], [2 July] 2024 (both days inclusive).**

**Any Shareholder or other person contemplating selling or purchasing Shares and/or Nil Paid Rights is advised to exercise caution when dealing in the Shares and/or Rights Shares. Any person who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser. Any Shareholder or other person dealing in Shares from the date of this announcement up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Joint Underwriters’ right of termination of the Underwriting Agreement ceases) and any person dealing in the Nil Paid Rights during the period from [Monday], [24 June] 2024 to [Tuesday], [2 July] 2024 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**

## PROPOSED RIGHTS ISSUE

The Company proposes to raise approximately HK\$[9,079] million before expenses, or approximately HK\$[8,986] million after expenses, by way of the Rights Issue of [3,465,432,486] Rights Shares at the Subscription Price of HK\$[2.62] per Rights Share.

The Company will provisionally allot [2] Nil Paid Rights for every [5] Shares held by each Qualifying Shareholder on the Record Date. Fractional entitlements will not be allotted and the Company will not accept application for any fractions of the Rights Shares. All fractions of Rights Shares will be aggregated (and the Rights Shares rounded down to the nearest whole number) and all Nil Paid Rights arising from such aggregation will be provisionally allotted (in nil-paid form) to the Sole Global Coordinator, and will be sold in the market on behalf of the Company if a premium (net of expenses) can be obtained, with the Company retaining the proceeds for its own benefit.

The Rights Issue will not be available to the Non-Qualifying Shareholders.

### Issue statistics

Basis of Rights Issue:	[2] Rights Shares for every [5] Shares held by the Shareholders at [5:00 p.m.] on the Record Date
Subscription Price:	HK\$[2.62] per Rights Share
Number of existing Shares in issue:	[8,663,581,216] Shares as at the date of this announcement
Undertaken Shares:	[2,338,866,549] Rights Shares, being the aggregate number of Rights Shares for which the Committed Shareholder has undertaken to subscribe pursuant to the Committed Shareholder Irrevocable Undertaking
Number of Rights Shares:	[3,465,432,486]
Total number of issued Shares as enlarged by the allotment and issue of the Rights Shares:	[12,129,013,702] Shares
Sole Global Coordinator	Citigroup Global Markets Limited

Joint Underwriters: [Citigroup Global Markets Limited, Macquarie Capital Limited, Merrill Lynch (Asia Pacific) Limited and Huatai Financial Holdings (Hong Kong) Limited]

Amount to be raised by the Rights Shares (assuming the Rights Issue is fully subscribed): approximately HK\$[9,079] million before expenses, or approximately HK\$[8,986] million after expenses

Rights of excess applications: Qualifying Shareholders (other than the PRC Stock Connect Investors) may apply for Rights Shares in excess of their provisional allotment

The number of Rights Shares which may be issued pursuant to the Rights Issue will be increased in proportion to any additional Shares which may be issued and allotted on or before [5:00 p.m.] on the Record Date.

In relation to the 2021 Performance Awards, the Company has issued [7,534,028] Award Shares to a nominee agent on 3 June 2024 and the [7,534,028] Award Shares will be vested to the respective Incentive Participants on 5 June 2024.

As of the date of this announcement, the Company has [22,990,096] Performance Awards in issue as the 2022 Performance Awards (which were granted by the Company pursuant to the Long Term Incentive Equity Plan), which may be satisfied by the issuance and allotment of new Award Shares to the eligible Incentive Participants at a ratio of one Award Share for one Performance Award. It is expected that the 2022 Performance Awards will vest in Incentive Participants on or around [June 2025]. For the avoidance of doubt, the 2022 Performance Awards will not be vested before the Record Date. Other than the outstanding 2022 Performance Awards, as at the date of the announcement, the Company (a) has no other outstanding derivatives, options, warrants, conversion rights or other similar rights which are convertible or exchangeable into or confer any right to subscribe for Shares in the Rights Issue; and (b) has no intention to issue or grant any Shares, convertible securities, warranties and/or options on or before the Record Date.

The Nil Paid Rights proposed to be provisionally allotted represent:

- (i) approximately [40.00]% of the Company's issued shares as at the date of this announcement; and
- (ii) approximately [28.57]% of the Company's enlarged issued shares as enlarged by the issue of the Rights Shares.

## Subscription Price

The Subscription Price for the Rights Shares will be HK\$[2.62] per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares or, where applicable, upon application for excess Rights Shares under the Rights Issue or when a renounee of any provisional allotment of the Rights Shares, or when a transferee of Nil Paid Rights applies for the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately [31.41]% to the closing price of HK\$[3.82] per Share as quoted on HKEX on the Last Trading Day;
- (ii) a discount of approximately [24.65]% to the theoretical ex-rights price of HK\$[3.48] per Share, which is calculated on the basis of the closing price of HK\$[3.82] per Share as quoted on HKEX on the Last Trading Day;
- (iii) a discount of approximately [35.59]% to the average of the closing prices per Share as quoted on HKEX for the five (5) consecutive trading days ending on the Last Trading Day of approximately HK\$[4.07] per Share;
- (iv) a discount of approximately [35.88]% to the average of the closing prices per Share as quoted on HKEX for the ten (10) consecutive trading days ending on the Last Trading Day of approximately HK\$[4.09] per Share;
- (v) a discount of approximately [32.51]% to the audited consolidated net asset value of the Company of approximately HK\$[3.88] per Share based on the latest published audited consolidated net asset value attributable to the equity holders of the Company of approximately HK\$[33,634 million] as at 31 December 2023 as set out in the Annual Report and total number of issued Shares of [8,663,581,216] Shares as at the Last Trading Day; and
- (vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately [10.17]%, which is calculated based on the theoretical diluted price of approximately HK\$[3.65] per Share to the benchmarked price (as defined under Rule 7.27B of the Listing Rules) of approximately HK\$[4.07] per Share, taking into account the higher of the closing price on the Last Trading Day of HK\$[3.82] per Share and the average of the closing prices of the Shares as quoted on HKEX for the five previous consecutive trading days prior to the date of this announcement of approximately HK\$[4.07] per Share.

Since the Company is incorporated in Hong Kong, the Rights Shares have no par value.

The Subscription Price was determined by the Directors with reference to (i) the recent closing prices of the Shares; (ii) the prevailing market conditions and the financial positions of the Group; and (iii) the amount of funds the Company intends to raise under the Rights Issue.

The estimated net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) will be approximately HK\$2.59.

The Directors consider the terms of the Rights Issue, including the Subscription Price (and the discounts to the relative values as indicated above), to be fair and reasonable and to be in the interests of the Company and the Shareholders as a whole.

### **Basis of provisional allotment**

The basis of the provisional allotment shall be [2] Rights Shares (in nil-paid form) for every [5] Shares held by the Shareholders as at [5:00 p.m.] on the Record Date at the Subscription Price payable in full on acceptance and on other terms and subject to the conditions set out in the Prospectus Documents. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for.

### **Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent reasonably practicable and legally permitted, and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, send the Prospectus to Non-Qualifying Shareholders (other than [Non-Qualifying Shareholders within the United States]) for their information only. The Company will not send any PAL or EAF to the Non-Qualifying Shareholders.

To qualify for the Rights Issue, a Shareholder must:

- (i) be registered as a member of the Company at 5:00 p.m. on the Record Date; and
- (ii) not be a Non-Qualifying Shareholder.

Shareholders having an address in Hong Kong as shown on the register of members of the Company at 5:00 p.m. on the Records Date will qualify for the Rights Issue.

Shareholders having an address outside Hong Kong as shown on the register of members of the Company at 5:00 p.m. on the Record Date will not qualify for the Rights Issue if the Board, after making relevant enquiries with the legal advisers in

the relevant jurisdictions, considers that the exclusion of such Overseas Shareholders from the Rights Issue would be necessary or expedient on account either of legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place.

Investors with their Shares held by nominee(s) (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. Accordingly, investors with their Shares held by nominee(s) (or held in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as a member of the Company by 5:00 p.m. on the Record Date, the Shareholders must have already lodged any transfers of Shares (together with the relevant share certificate(s)) with the Registrar, Computershare Hong Kong Investor Services Limited, at [Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong], for registration by no later than [4:30 p.m.] on [Wednesday], [12 June] 2024. The last day for dealing in the Shares on a cum-rights basis is [Friday], [7 June] 2024.

The Company expects to send the Prospectus Documents to the Qualifying Shareholders on [Thursday], [20 June] 2024.

Qualifying Shareholders who take up their pro rata entitlements in full will not suffer any dilution to their interests in the Company under the Rights Issue (apart from fractional entitlements to Rights Shares). **If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

### *PRC Stock Connect Investors*

According to the "Stock Connect Southbound Shareholding Search" available on HKEX's website, as at [1 June 2024], ChinaClear held [926,480,865] Shares, representing approximately [10.69]% of the total number of the Shares in issue.

The Board has been advised that the PRC Stock Connect Investors may participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Stock Connect Investors to (i) sell (in full or in part) their nil-paid Rights Shares through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect if such nil-paid Rights Shares are listed on HKEX; and/or (ii) subscribe (in full or in part) for their pro rata entitlements in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations.

However, ChinaClear will not support applications by such PRC Stock Connect Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect. In addition, the Board has been advised that the PRC Stock Connect Investors (or the relevant ChinaClear participants, as the case may be) whose stock accounts in ChinaClear are credited with nil-paid Rights Shares can only sell those nil-paid Rights Shares through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect if such nil-paid Rights Shares are listed on HKEX until after the Company completes its filing with the CSRC in accordance with the CSRC Notice, but cannot purchase any nil-paid Rights Shares nor transfer such nil-paid Rights Shares to other PRC Stock Connect Investors.

The Company will file the Prospectus with the CSRC in accordance with the CSRC Notice and after the Company completes such filing, the PRC Stock Connect Investors may participate in the Rights Issue through ChinaClear.

**The PRC Stock Connect Investors should consult their intermediary (including brokers, custodians, nominees or ChinaClear participants) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions to such intermediary in relation to the acceptance and/or sale of the nil-paid Rights Shares. Such instructions should be given in advance of the relevant dates stated in the section headed “Expected Timetable” of this announcement and otherwise in accordance with the requirements of the intermediary of the PRC Stock Connect Investors and/or ChinaClear in order to allow sufficient time to ensure that such instructions are given effect.**

The Board has been advised that, as the Prospectus Documents will not be and are not intended to be filed with or approved by the CSRC other than in accordance with the CSRC Notice, the Rights Shares (both in their nil-paid and fully-paid forms) issued to the PRC Stock Connect Investors shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless such person or entity is a PRC Stock Connect Investor (subject to certain limitations in relation to its rights to participate in the Rights Issue as explained in this announcement) through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect, or such person or entity has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

## Overseas Shareholders

[If there are Overseas Shareholders at 5:00 p.m. on the Record Date, such Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below. [The Prospectus Documents to be despatched in connection with the Rights Issue will not be registered or filed under the applicable securities legislation of any jurisdiction other than (i) the PRC, in accordance with the CSRC Notice with the approval from HKEX for the listing of the Rights Shares (in nil-paid and fully-paid forms) having been obtained; and (ii)] Hong Kong.]

The Directors will make enquiries, to be based on legal opinions provided by legal advisers if the Directors consider necessary, as to whether the issue of Rights Shares to any Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas jurisdictions or the requirements of any relevant regulatory body or stock exchange pursuant to Rule 13.36(2)(a) of the Listing Rules. If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to offer Rights Shares to any such Overseas Shareholders, no provisional allotment of Nil Paid Rights or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. The basis for such exclusion, if any, will be set out in the Prospectus.

In such circumstances, such Overseas Shareholders will become Non-Qualifying Shareholders, and the Rights Issue will not be extended, and no Rights Shares will be provisionally allotted, to them. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders outside of the United States for information purposes only, but will not send any PAL or EAF to them.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, had they been Qualifying Shareholders, will be sold in the market in their nil-paid form after dealings in the Nil Paid Rights commence on HKEX and in any event before the last day of dealings in Nil Paid Rights, if a premium (net of expenses) can be obtained. The proceeds of sale, less expenses and stamp duty and rounded down to the nearest cent, will be paid to the relevant Non-Qualifying Shareholder(s) (pro rata to their entitlements at [5:00 p.m.] on the Record Date) [in Hong Kong dollars], provided that the Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any unsold entitlement of Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted by Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid Rights, will be made available for excess applications on EAFs by the Qualifying Shareholders (other than the PRC Stock Connect Investors).



**Overseas Shareholders and Beneficial Owners who are residing outside Hong Kong should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptances of or applications for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and Beneficial Owners who are residing outside Hong Kong should exercise caution when dealing in the Shares.**

### **Status of the Rights Shares**

The Rights Shares, when allotted, issued and fully-paid, will, subject to the articles of association of the Company, rank *pari passu* in all respects with the then existing Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

### **Fractions of Rights Shares**

The Company will not provisionally allot and will not accept application for any fractions of Rights Shares. All fractions of Rights Shares will be aggregated (and the Rights Shares rounded down to the nearest whole number). All Nil Paid Rights arising from such aggregation will be provisionally allotted (in nil-paid form) to the Sole Global Coordinator, and will be sold in the market on behalf of the Company if a premium (net of expenses) can be obtained, with the Company retaining the proceeds for its own benefit. Any unsold fractions of Rights Shares will be available to meet excess applications by the Qualifying Shareholders (other than the PRC Stock Connect Investors).

### **Application for listing and dealings of the Rights Shares**

The Company will apply to the Listing Committee of HKEX for the listing of, and permission to deal in, the Rights Shares on HKEX, in both nil-paid and fully-paid forms. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought on any other stock exchange other than HKEX.

### **Rights Shares will be eligible for admission into CCASS**

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on HKEX as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of

dealings in the Nil Paid Rights and the Rights Shares on HKEX, respectively, or such other date as determined by HKSCC. Settlement of transactions between participants of HKEX on any trading day is required to take place in CCASS on the second settlement day thereafter.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Both the nil-paid and the fully-paid Rights Shares will be traded on HKEX in the same board lots of 4,000 Shares.

### **Odd lot arrangement**

Upon completion of the Rights Issue, the board lots of the Company will remain as 4,000 Shares. In order to facilitate the trading of odd lots of Shares arising from the Rights Issue, the Company will procure an arrangement with an agent to stand in the market to provide matching services for sale and purchase of odd lots of Shares on a “best effort” basis. Further details in respect of the odd lot arrangement will be set out in the Prospectus. Holders of Shares in odd lots should note that the matching services mentioned above are on a “best effort” basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being an adequate amount of odd lots of Shares available for matching. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

### **Closure of register of members of the Company**

The register of members of the Company will be closed from [Thursday], [13 June] 2024 to [Wednesday], [19 June] 2024 (both days inclusive) to determine the eligibility of the Shareholders to participate in the Rights Issue. No transfers of Shares will be registered during this period.

### **Transfers and “splitting” of Nil Paid Rights**

If a Qualifying Shareholder wishes to accept only part of, or to renounce or transfer part of, the Rights Shares provisionally allotted to him/her/it under the PAL, or to transfer his/her/its rights to more than one person, such Qualifying Shareholders will need to split his/her/its PAL into the denominations required. Details of how to split the PALs will be set out in the Prospectus.

## **Application for excess Rights Shares**

Qualifying Shareholders (excluding the PRC Stock Connect Investor(s)) may apply, by way of excess applications, for:

- (a) any unsold entitlements of the Non-Qualifying Shareholders (if any) which would have been allotted to Non-Qualifying Shareholders had they been Qualifying Shareholders;
- (b) any unsold Rights Shares created by aggregating fractions of the Rights Shares; and
- (c) any Rights Shares provisionally allotted but not validly accepted by Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid Rights.

Applications for excess Rights Shares may be made only by Qualifying Shareholders (excluding the PRC Stock Connect Investor(s)) and only by completing and signing an EAF (in accordance with the instructions printed thereon) and lodging the same with a separate remittance for the excess Rights Shares being applied for with the Registrar, Computershare Hong Kong Investor Services Limited, at [Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong] by [4:00 p.m.] on [Friday], [5 July] 2024, or such later time and/or date as may be agreed between the Company and the Joint Underwriters in writing.

Subject to the requirements of Rule 7.21(3)(b) of the Listing Rules and the applicable laws and regulations of the relevant jurisdictions, the Company will, upon consultation with the Joint Underwriters, allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis on the following principles:

- (i) any excess Rights Shares will be allocated to Qualifying Shareholders (including the Committed Shareholder but excluding the PRC Stock Connect Investors) who apply for them on a pro rata basis by reference to the number of the excess Rights Shares applied for;
- (ii) reference will only be made to the number of excess Rights Shares being applied for but no reference will be made to the Rights Shares comprised in applications by the PALs or the existing number of Shares held by Qualifying Shareholders; and
- (iii) if the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/ or transferees of nil-paid Rights Shares under the PALs is greater than the aggregate number of excess Rights Shares applied for through the EAFs, the Company will allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application.

In applying the above principles, reference will only be made to the number of excess Rights Shares being applied for. No preference will be given to topping up odd lots to whole board lots.

Investors with their Shares held by nominee(s) (or which are deposited in CCASS) should note that the Board will regard the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. Accordingly, investors with their Shares registered in the name of a nominee(s) (or which are deposited in CCASS) should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to them individually.

Investors with their Shares held by a nominee (or which are deposited in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names on or prior to the Record Date for the purpose of the Rights Issue. Shareholders and investors should consult their professional advisors if they are in any doubt as to their status. Investors who would like to have their names registered on the register of members of the Company on the Record Date, must lodge all necessary documents with the Company's share registrar, Computershare Hong Kong Investor Services Limited, for registration by not later than 4:30 p.m. on [Wednesday], [12 June] 2024.

Any Rights Shares (excluding the Undertaken Shares) not taken up by the Qualifying Shareholders and not taken up by excess applications will be taken up by the Joint Underwriters and/or subscribers procured by it pursuant to the terms and conditions of the Underwriting Agreement.

### **Share certificates and refund cheques for Rights Issue**

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or before [Monday], [15 July] 2024 to those who have accepted and (where applicable) applied and paid for the Rights Shares by ordinary post at their own risk.

Refund cheques in respect of wholly or partially unsuccessful applications for Rights Shares and excess Rights Shares (if any) are expected to be despatched by ordinary post on or before [Monday], [15 July] 2024 to the applicants at their own risk.

If the Rights Issue does not become unconditional or does not proceed, the monies received in respect of the relevant provisional allotments and/or applications for excess Rights Shares (if any) will be refunded to the Qualifying Shareholders or such other person to whom the Nil Paid Rights have been validly renounced or transferred

or, in the case of joint acceptances, to the first-named person, without interest and by means of cheques despatched by ordinary post at the risks of such Qualifying Shareholders or such other person to their registered addresses by the Registrar on or before [Monday], [15 July] 2024.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Joint Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof. If the Underwriting Agreement has not become unconditional in accordance with its terms, the Rights Issue will not proceed.

### **Stamp duty and other applicable fees and charges**

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to the payment of stamp duty, the HKEX trading fee, the SFC transaction levy, Accounting and Financial Reporting Council transaction levy and any other applicable fees, levies and charges in Hong Kong.

### **Taxation**

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of, in the case of Qualifying Shareholders, the receipt, purchase, holding, exercising, disposing of or dealing in the nil-paid Rights Shares or the fully-paid Rights Shares and, in the case of Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the Nil Paid Rights on their behalf.

### **COMMITTED SHAREHOLDER IRREVOCABLE UNDERTAKING**

As at the date of this announcement, the Committed Shareholder is beneficially interested in [5,847,166,374] Shares, representing approximately [67.49]% of the issued Shares. The Committed Shareholder has irrevocably undertaken to the Company and the Joint Underwriters:

- (1) to procure that the Committed Shareholder Irrevocable Undertaking Shares remain registered in its name until 5:00 p.m. on the Record Date;
- (2) to accept or procure the acceptance of the Undertaken Shares to be provisionally allotted to it in respect of the Committed Shareholder Irrevocable Undertaking Shares registered in its name pursuant to the Rights Issue;

- (3) to procure that the PAL(s) in respect of the Undertaken Shares shall be lodged with the Registrar, with full payment therefor in accordance with the terms of the Prospectus Documents, by no later than 4:00 p.m. on the Business Day immediately before the last day the Rights Issue is open for acceptance, and to deliver promptly to each Joint Underwriter a certified true copy of such PAL(s) or such other documentation evidencing that the PAL(s) has/have been lodged and duly paid for;
- (4) to waive any rights, if any, and whether by virtue of the constitutional documents of the Company, operation of applicable laws, regulations, the Listing Rules, contractual arrangements or otherwise, to withdraw the Committed Shareholder's acceptance in respect of the Undertaken Shares;
- (5) to procure that, for the period from the date of the Committed Shareholder Irrevocable Undertaking until the first day of trading of the Rights Shares in their fully-paid form on HKEX, subject to having obtained the prior written consent of the Joint Underwriters, no action shall be taken and no statement shall be made to the public which is or may be prejudicial to the successful completion of the Rights Issue, unless otherwise required or caused by any law or regulation, HKEX, SFC, or any other regulatory, judicial, governmental or other authorities or court having jurisdiction over the Committed Shareholder (the “**Applicable Laws and/or Regulators**”);
- (6) without first having obtained the prior written consent of the Joint Underwriters and the Company, not to, and to procure its parent company, subsidiaries and fellow subsidiaries not to, transfer or otherwise dispose of (including, without limitation, through entering into any agreement to dispose of, or the creation of any option or derivative over) or acquire (except by taking up Rights Shares provisionally allotted to it pursuant to the Rights Issue or acquiring Nil Paid Rights or submitting EAFs or acquiring Shares in circumstances which do not contravene the Listing Rules and/or the Takeovers Code and do not render information submitted to HKEX and/or the SFC to become untrue, inaccurate or misleading in any material respect (whether by omission or otherwise)) any Share or any interest therein from the date of the Committed Shareholder Irrevocable Undertaking until and including the Closing Date;

- (7) from the Closing Date until [90] days from the Closing Date, except with the prior written consent of the Joint Underwriters, not to:
- (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of or create any encumbrance over (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares (including the Rights Shares provisionally allotted to the Committed Shareholder) or any interests therein beneficially owned or held by the Committed Shareholder or such controlled companies or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Shares or interests;
  - (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares;
  - (iii) enter into any transaction with the same economic effect as any transaction described in paragraphs 7(i) and (ii) above; or
  - (iv) offer to or agree to or announce any intention to enter into or effect any such transaction described in paragraphs 7(i), 7(ii) or 7(iii) above,
- in each case, whether any such transaction described in paragraphs 7(i), 7(ii) or 7(iii) is to be settled by delivery of Shares or such other securities, in cash or otherwise;
- (8) to make available sufficient funds in Hong Kong dollars for full payment of the subscription monies upon the lodging of the PAL(s) and the EAF(s), in accordance with the terms of the Prospectus Documents by no later than 4:00 p.m. on the last day the Rights Issue is open for acceptance.

The undertakings in paragraphs (1) to (8) above are conditional upon such undertakings not resulting in the Company's non-compliance with the public float requirements under the Listing Rules and, in addition, subject to: (i) the publication of this announcement by the Company; and (ii) the Joint Underwriters not exercising their right to terminate the Underwriting Agreement in accordance with its terms.

Save for the Committed Shareholder Irrevocable Undertaking, the Company has not received any information or irrevocable undertakings from any other Shareholders of their intention in relation to the Rights Shares to be provisionally allotted to them under the Rights Issue as at the date of this announcement.

## UNDERWRITING AGREEMENT

On [Monday], [3 June] 2024 [(after trading hours)], the Company and the Joint Underwriters entered into the Underwriting Agreement in relation to the underwriting and respective arrangements in respect of the Rights Issue. Further details of the Underwriting Agreement are set out below:

### Principal terms of the Underwriting Agreement

Date: [Monday], [3 June] 2024

Issuer: MMG Limited

Sole Global Coordinator Citigroup Global Markets Limited

Joint Underwriters: [Citigroup Global Markets Limited], in respect of which the entity involved in the securities dealing activities as part of the underwriting of the Rights Issue will be Citigroup Global Markets Asia Limited, which is an affiliate of Citigroup Global Markets Limited and a licensed corporation under the SFO 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), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities as defined under the SFO and its ordinary course of business includes underwriting of securities;

[Macquarie Capital Limited], a licensed corporation under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities as defined under the SFO and its ordinary course of business includes underwriting of securities;



[Merrill Lynch (Asia Pacific) Limited], a licensed corporation under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO and its ordinary course of business includes underwriting of securities; and

[Huatai Financial Holdings (Hong Kong) Limited], a licensed corporation under the SFO to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities as defined under the SFO and its ordinary course of business includes underwriting of securities.

Each of the Joint Underwriters (and in respect of Citigroup Global Markets Limited, Citigroup Global Markets Asia Limited) has confirmed that it has complied with Rule 7.19(1)(a) of the Listing Rules.

Number of Rights Shares  
underwritten:

All of the Rights Shares (excluding in aggregate the [2,338,866,549] Rights Shares to be subscribed (or procured to be subscribed) by the Committed Shareholder pursuant to the Committed Shareholder Irrevocable Undertaking), being [1,126,565,937] Rights Shares

Joint Underwriters'  
commission:

- (i) an underwriting commission of 2% of the aggregate subscription price of the Underwritten Shares; and
- (ii) an additional discretionary incentive fee up to 0.5% of the aggregate subscription price of the Underwritten Shares, at the sole discretion of the Company

[To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Joint Underwriters are independent third parties of the Company and the Company's connected persons.]

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiations between the Company and the Joint Underwriters with reference to the existing financial position of the Group, the size of the Rights Issue, the current and expected market condition, recent historical trading price under prevailing market conditions, subscription prices of the rights issue relative to their then trading prices in recent years in Hong Kong and the prevailing underwriting commission rate range for the market.

The Directors (including the independent non-executive Directors) consider that the terms of the Underwriting Agreement (including the commission rate) are (i) on normal commercial terms; and (ii) fair and reasonable and to be in the interests of the Company and the Shareholders as a whole.

Subject to the fulfilment or waiver (as applicable) of all the conditions contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated or rescinded prior to the Latest Time for Termination in accordance with the terms thereof, the Joint Underwriters shall subscribe for or procure the subscription for the Untaken Shares.

### **Conditions of the Underwriting Agreement**

The obligations of the Joint Underwriters under the Underwriting Agreement are conditional upon:

- (a) permission to deal, in and for the listing of, all the Rights Shares (in their nil-paid and fully paid forms) having been granted (subject only to allotment and despatch of the appropriate documents of title) by HKEX by no later than: (i) in the case of the Nil Paid Rights, the Business Day before the commencement of trading of the Nil Paid Rights on HKEX; and (ii) in the case of the Rights Shares in their fully-paid form, the Latest Time for Termination, and, in each case, and such permission not being withdrawn, revoked or amended prior to the Latest Time for Termination;
- (b) all relevant consents and approvals being obtained from the regulatory authorities, including HKEX and the SFC, as the case may require, in connection with the Rights Issue by the relevant time that each consent and approval is required, including without limitation, clearance of the timetable for the Rights Issue by HKEX;

- (c) HKEX issuing a certificate authorising registration of the Prospectus with the Registrar of Companies in Hong Kong under section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Business Day prior to the date of the Prospectus (or such later time and/or date as the Company and the Joint Underwriters may agree in writing) and, following registration of the Prospectus, a copy of the Prospectus having been submitted to HKEX for publication on its website not later than the date of the Prospectus (or such later time and/or date as the Company and the Joint Underwriters may agree in writing);
- (d) the delivery to HKEX and registration by the Registrar of Companies in Hong Kong, respectively, not later than the Business Day prior to the date of the Prospectus (or such later time and/or date as the Company and the Joint Underwriters may agree in writing) of each of the Prospectus Documents (and any other documents required to be submitted by HKEX or any applicable law or regulation), and the Registrar of Companies in Hong Kong issuing a confirmation of registration letter not later than the Business Day prior to the date of the Prospectus (or such later time and/or date as the Company and the Underwriters may agree in writing);
- (e) the despatch, on the date of the Prospectus, of copies of the Prospectus Documents to the Qualifying Shareholders and a copy of the Prospectus having been submitted to HKEX for publication on its website not later than the date of the Prospectus (or such later time and/or date as the Company and the Joint Underwriters may agree in writing);
- (f) each condition to enable the Nil Paid Rights to be admitted as eligible securities for deposit, clearance and settlement in CCASS being satisfied on or before the Business Day prior to the commencement of trading of the Nil Paid Rights and no notification having been received by the Company from HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused;
- (g) the representations and warranties being true and accurate and not misleading in any material respect and no such undertakings being breached on and as of the date of the Underwriting Agreement and at any time before the Latest Time for Termination, and no matter having arisen which has given rise to, or would reasonably be expected to give rise to any breach of such warranties, representations or undertakings or claim or action in respect of such warranties, representations or undertakings on and as of the date of the Underwriting Agreement or at any time before the Latest Time for Termination;

- (h) compliance with and performance of all the obligations of the Company taking place by the times specified in the Underwriting Agreement in connection with the Rights Issue, including, without limitation:
  - (a) to publish this announcement in accordance with the Underwriting Agreement by the time specified therein;
  - (b) to provisionally allot the Rights Shares in accordance with the Underwriting Agreement by the time specified therein;
  - (c) to despatch the Prospectus Documents to the Qualifying Shareholders and to make the Prospectus Documents available for display in accordance with the Underwriting Agreement by the time specified therein; and
  - (d) to deliver to the Joint Underwriters the documents as set out Schedule 2 of the Underwriting Agreement in accordance with the timing set out therein;
- (i) compliance with, and performance of all obligations of the Committed Shareholder taking place by the times specified in the Committed Shareholder Irrevocable Undertaking, and the Committed Shareholder Irrevocable Undertaking remaining in full force and effect;
- (j) all relevant consents, approvals, permits, authorisations or clearances (as the case may be) required to be obtained by the Company or any member of the Group under applicable laws, regulations or rules for the Rights Issue and the transactions contemplated hereunder have been obtained (including but not limited to all authorisations from HKEX under the Listing Rules and the State-owned Assets Supervision and Administration Commission of the State Council), and all such consents, approvals, permits, authorisations and clearances not having been revoked or withdrawn at any time up to the Latest Time for Termination; and
- (k) the Shares (other than the Rights Shares) remaining listed on HKEX at all times prior to the Latest Time for Termination and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended or materially limited for a consecutive period of more than three trading days (or such longer period as the Company and the Joint Underwriters may agree) and no indication having been received before the Latest Time for Termination from HKEX to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason.

The Company shall use its best endeavours to procure the fulfilment of each of the conditions set out above on or before the relevant time or date specified, and, in particular, shall furnish such information, supply such documents, pay such fees, give such undertakings and do all such acts and things as are required in compliance with the Listing Rules, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance, the SFO or as may be required by the SFC, HKEX, the Registrar of Companies in Hong Kong or HKSCC in connection with the Rights Issue (including obtaining the permission to deal in, and the listing of, the Rights Shares on HKEX, the admission of the Nil Paid Rights as eligible securities for deposit, clearance and settlement in CCASS) and the arrangements contemplated under the Underwriting Agreement, or as may be reasonably required by the Joint Underwriters.

The Joint Underwriters shall have the right, in its absolute discretion, by giving notice to the Company on or before the latest time at which, or the latest day on which, any of the conditions set out above may be fulfilled to (i) waive any such conditions (except conditions (a) to (f) in the section above), or (ii) extend the time or date for fulfilment of any of such conditions (in which case a reference in the Underwriting Agreement to the satisfaction of such condition shall be to its fulfilment by the time or date as so extended), and such waiver or extension may be made subject to such terms and conditions as are reasonably determined by the Joint Underwriters.

If any of the conditions set out above (which has not previously been waived by the Joint Underwriters if capable of being waived under the Underwriting Agreement) is not fulfilled, or becomes incapable of fulfilment, on or prior to the relevant time and date specified in that clause or, if no such date is so specified or referred to, is not fulfilled on or prior to the Latest Time for Termination (or such later date or dates as the Joint Underwriters may agree with the Company in writing), the Underwriting Agreement (i) save in respect of any breach of condition [(i)] above; and (ii) save for certain customary Clauses set out in the Underwriting Agreement shall remain in full force and effect and (iii) save further that the Company shall pay the fees and expenses in accordance with the Underwriting Agreement shall terminate and no party to the Underwriting Agreement will have any claim against any other for costs, damages, compensation or otherwise, provided that such termination shall be without prejudice to the rights of the parties to the Underwriting Agreement in respect of any breach of the Underwriting Agreement occurring prior to such termination.

**If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed.**

## **Restrictions on Dealings**

The Company undertakes to the Joint Underwriters that for the period from the date of the Underwriting Agreement and ending on the date which is [90] days after the listing date of the Rights Shares, it shall not (except for the Rights Shares):

- (a) undertake any consolidation or subdivision of its share capital, allot, issue, sell, accept subscription for, or offer to allot or issue or sell, or contract or agree to allot, issue or sell, or grant or sell any option, right or warrant to subscribe for or purchase (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares (other than the grant of performance awards or the allotment or issue of any Shares upon the exercise of any employee share options or the vesting of any employee share awards pursuant to any employee share option scheme or employee share scheme adopted in accordance with the Listing Rules);
- (b) buy back, cancel, retire, reduce, redeem, amalgamate, re-purchase, purchase or otherwise acquire any Shares;
- (c) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in paragraphs (a) and (b); or
- (d) announce any intention to enter into or effect any such transaction described in paragraphs (a) to (c) above,

unless with the prior written consent of the Joint Underwriters; provided that the above restrictions shall cease to apply if the Underwriting Agreement (i) does not become unconditional and is terminated; or (ii) is terminated by the Joint Underwriters pursuant to any of the termination events set out in the section headed “Termination of the Underwriting Agreement”.

## **Termination of the Underwriting Agreement**

The Joint Underwriters may by notice in writing to the Company, served prior to the Latest Time for Termination, rescind or terminate the Underwriting Agreement if at any time prior to the Latest Time for Termination any of the following occurs:

- (a) any matter or circumstance arises as a result of which any of the conditions set out in the section above headed “Conditions of the Underwriting Agreement” has become incapable of satisfaction as at the required time;

- (b) the fact that any of the representations, warranties or undertakings contained in the Underwriting Agreement is untrue, inaccurate or misleading or has been breached in any respect comes to the knowledge of the Joint Underwriters, or there has been a breach on the part of the Company of any other provision of the Underwriting Agreement or a breach on the part of the Committed Shareholder of the Committed Shareholder Irrevocable Undertaking, or the Joint Underwriters have cause to believe that any such breach has occurred;
- (c) any event occurs or matter arises or is discovered, which, if it had occurred before the date of the Underwriting Agreement or before any of the dates or before any time on which the representations, warranties and undertakings are deemed to be given under the Underwriting Agreement would have rendered or be expected to render any of those representations or warranties untrue, inaccurate, incomplete or misleading in any respect, or would have given rise to or be expected to give rise to any of those undertakings being breached;
- (d) any statement contained in this announcement and/or a Prospectus Document and/or the Investor Presentation has become or been discovered to be untrue, incorrect, incomplete or misleading in any material respect, or matters have arisen or have been discovered which would, if this announcement, a Prospectus Document and/or the Investor Presentation was to be issued at the time, constitute a material omission therefrom;
- (e) the Company: (A) withdraws the Prospectus (and/or documents issued or used in connection with the Rights Issue) or the Rights Issue; or (B) is required to produce a supplementary prospectus (unless the Company has obtained consent of the Joint Underwriters to such supplementary prospectus); or (C) is required to include in the final Prospectus to be despatched on the date of Prospectus information which is not included in the draft Prospectus as at the date of the Underwriting Agreement and which is or may be materially adverse to the Company or the Rights Issue, as a result of either a significant change affecting any matter contained in such draft Prospectus or a significant new matter that has arisen (unless the Company has obtained consent of the Joint Underwriters to the inclusion of such information);
- (f) the Company's application to the Main Board of HKEX for permission for the listing of the Rights Shares (nil paid and fully paid) and permission to deal in the Rights Shares (nil paid and fully paid) on HKEX is withdrawn by the Company and/or rejected by HKEX;
- (g) any condition to enable the Nil Paid Rights to be admitted as eligible securities for deposit, clearance and settlement in CCASS is not satisfied or notification is received by the Company from HKSCC that such admission or facility for holding and settlement has been or is to be refused;

- (h) any expert, who has given advice which is contained in the Prospectus, has withdrawn its respective consent to the issue of the Prospectus with the inclusion of its reports, letters, opinions, advices or references to its name included in the form and context in which it respectively appears prior to the issue of the Prospectus;
- (i) any event, act or omission occurs which gives or is likely to give rise to any liability of the Company pursuant to the indemnities referred to in the Underwriting Agreement; or
- (j) there has occurred, happened, come into effect or become public knowledge any event, series of events or circumstances concerning or relating to (whether or not foreseeable):
  - (A) any adverse change or prospective adverse change in the condition, results of operations, management, business, stockholders' equity, the financial or trading position and/or prospects of any member of the Group, but excluding any unscheduled or unanticipated suspension of mining operations at, or the transport of copper concentrate from, the Company's mining project situated at Las Bambas, Peru as a result of protests or blockages or the consequences of any such suspension unless such suspension results in: (x) the cancellation of, or the declaration of force majeure in respect of, at least three scheduled shipments (after the date of the Underwriting Agreement) of copper concentrate by the Company from Matarani Port; or (y) the amount of copper concentrate produced or transported by trucking from the Las Bambas mining project being, or being reasonably expected to be, less than 45,000 wet metric tonnes in any calendar month during the three calendar months following the date of the Underwriting Agreement;
  - (B) any change (whether or not permanent) in local, national or international financial, political, military, industrial, economic, legal, fiscal, regulatory or securities market matters or conditions or currency exchange rates or exchange controls in or affecting the PRC, Hong Kong, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States or Japan;



- (C) any event of force majeure including, without limitation, economic sanctions, strike or lock-out (whether or not covered by insurance), civil protest, riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis, in or affecting the PRC, Hong Kong, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States or Japan;
- (D) the declaration of a banking moratorium by the PRC, Hong Kong, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States or Japan authorities occurring due to exceptional financial circumstances or otherwise;
- (E) any moratorium, suspension or restriction on trading in shares or securities generally, or the establishment of minimum prices, on HKEX (or other stock exchanges such as in the PRC, the United Kingdom, Europe, the United States or Japan), or any major disruption of any securities settlement or clearing services in Hong Kong, Australia, PRC, the United Kingdom, Europe, the United States or Japan;
- (F) any suspension or any material limitation in trading in the Company's securities on HKEX (other than pending publication of announcing the Rights Issue or any other announcement relating to the Rights Issue or where such suspension is temporary or routine in nature for not more than two trading days);
- (G) any new law or regulation or any change, or any development involving a prospective change, in existing laws or regulations in Hong Kong or any other place in which any member of the Group conducts or carries on business;
- (H) a change or development occurs involving a prospective change in taxation in Hong Kong, the PRC, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States, Japan or any other jurisdiction(s) to which any member of the Group is subject or the implementation of any exchange controls;
- (I) any litigation or claim of material impact to the business, financial or operations of the Group being threatened or instituted against any member of the Group;

- (J) the imposition of economic sanctions, in whatever form, directly or indirectly, in Hong Kong, the PRC, Australia, Peru, the Democratic Republic of Congo, the Republic of Botswana, the United Kingdom, Europe, the United States, Japan or any other jurisdiction(s) relevant to the Group;
- (K) any governmental or regulatory commission, body, authority or agency, or any stock exchange, self-regulatory organisation or other non-government regulatory authority or any court, tribunal or arbitrator, whether national, central, federal, provincial, state, regional, municipal, in any relevant jurisdiction commencing any investigation, or formally announcing to investigate or take other legal actions, against the Group or any of the Directors in respect of any matter related to the Group's business, which investigation has or would have material adverse effect on the traded price of the Shares or the Group (taken as a whole); or
- (L) order or petition for the winding up of any members of the Group or any composition or arrangement made by any members of the Group with its creditors or a scheme of arrangement entered into by any members of the Group or any resolution for the winding up of any members of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any members of the Group or anything analogous thereto occurring in respect of any members of the Group;

the effect of which events or circumstances referred to in paragraph (j) above, individually or in the aggregate (in the reasonable opinion of the Joint Underwriters): (i) is, or would be, or is likely to be, materially adverse to, or materially prejudicially affects, or would materially prejudicially affect, the results of operation, general affairs, management, business, properties, financial, trading or other condition or prospects of the Group as a whole, (ii) has or will have or is likely to have a material adverse impact on, or prejudicially affects or would prejudicially affect, the success of the Rights Issue or dealings in the Rights Shares in the secondary market, or (iii) makes or may make it impracticable, to proceed with the Rights Issue on the terms and in the manner contemplated in this announcement and the Prospectus Documents, or (vi) will make or is likely to make the Underwriting Agreement incapable of performance in accordance with its terms or prevent the processing of applications and/or payments pursuant to the Rights Issue or pursuant to the underwriting thereof.

**In the event the Joint Underwriters exercise the right to terminate the Underwriting Agreement by giving written notice of termination prior to the Latest Time for Termination, all the obligations of the parties under the Underwriting Agreement (save in respect of certain rights or obligations under the Underwriting Agreement including rights of the parties thereto in respect of any antecedent breach) shall terminate forthwith and the Rights Issue will not proceed.**

## EXPECTED TIMETABLE

The expected timetable for the proposed Rights Issue is set out below:

Last day of dealings in Shares on a cum-rights

basis ..... [Friday], [7 June] 2024

First day of dealings in Shares on an ex-rights

basis..... [Tuesday], [11 June] 2024

Latest time for lodging transfers of Shares

and related documents in order to qualify

for the Rights Issue..... [4:30 p.m.], [Wednesday], [12 June] 2024

Register of members of the Company closes for

determining entitlements under the Rights Issue.. [Thursday], [13 June] 2024 to

[Wednesday], [19 June] 2024

(both days inclusive)

Record Date ..... [Wednesday], [19 June] 2024

Register of members of the Company reopens ..... [Thursday], [20 June] 2024

Despatch of the Prospectus Documents (and in

the case of the Non-Qualifying Shareholders

outside of the United States, the Prospectus

only) ..... [Thursday], [20 June] 2024

First day of dealings in Nil Paid Rights ..... [Monday], [24 June] 2024

Latest time for splitting of the PAL ..... [4:30 p.m.], [Wednesday],

[26 June] 2024

Last day of dealings in Nil Paid Rights ..... [Tuesday], [2 July] 2024

Latest time for acceptance of and payment  
for Rights Shares and the application and  
payment for excess Rights Shares ..... [4:00 p.m.], [Friday],  
[5 July] 2024

Latest time for termination of Underwriting  
Agreement and the date for the Rights Issue to  
become unconditional ..... [4:00 p.m.], [Thursday], [11 July] 2024

Announcement of results of acceptances of and  
excess applications for the Rights Issue..... [Friday], [12 July] 2024

Despatch of refund cheques, if any, for wholly  
and partially unsuccessful excess applications,  
or if the Rights Issue is terminated on or  
before ..... [Monday], [15 July] 2024

Despatch of Share certificates of fully-paid  
Rights Shares on or before ..... [Monday], [15 July] 2024

Commencement of dealings in fully-paid Rights  
Shares ..... [9:00 a.m.], [Tuesday],  
[16 July] 2024

*Note: All times and dates in this announcement refer to Hong Kong local times and dates unless stated otherwise. Shareholders should note that the dates or deadlines specified in the expected timetable of the Rights Issue as set out above, and in other parts of this announcement, are indicative only and may be varied by agreement between the Company and the Joint Underwriters. In the event any special circumstances arise, the board may extend, or make adjustment to, the timetable if it considers appropriate. Any such extension or adjustment to the expected timetable will be published or notified to Shareholders and HKEX as and when appropriate.*

### **Effect of bad weather on Latest Time for Acceptance**

The Latest Time for Acceptance will not take place on [Friday], [5 July] 2024 if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning and/or extreme conditions:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on [Friday], [5 July] 2024. Instead the latest time for acceptance of and payment for the Rights Shares and for application for and payment for excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; or

- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on [Friday], [5 July] 2024. Instead the latest time for acceptance of and payment for the Rights Shares and for application for and payment for excess Rights Shares will be rescheduled to 4:00 p.m. on the next following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place by 4:00 p.m. on [Friday], [5 July] 2024, the dates mentioned in the section headed “Expected Timetable” above may be affected. The Company will notify Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

## USE OF PROCEEDS AND REASONS FOR THE RIGHTS ISSUE

### Use of Proceeds

The Directors are of the opinion that, under present circumstances, raising funds by way of the Rights Issue is in the interests of the Shareholders and the Company as a whole. A Rights Issue is the most equitable means of raising funds as it provides all Shareholders with an opportunity to participate in the offer. The net proceeds of the Rights Issue will be used to repay existing debt and, to better support the ongoing development of the Company’s operating mines and for general corporate and working capital purposes.

The gross proceeds from the Rights Issue will be approximately HK\$[9,079] million. The estimated net proceeds from the Rights Issue will be approximately HK\$[8,986] million after deduction of all estimated expenses.

The Company intends to apply the net proceeds for the following purposes:

- up to US\$[611] million (approximately HK\$[4,766] million) to be used for repayment of amounts outstanding under the US\$[611] million shareholder loan facility between Top Create Resources Limited and MMG Africa Holdings Company Limited, which will mature in March 2031. This loan was used to fund the Company’s equity contribution into the Joint Venture for the purpose of funding the Acquisition of the Khoemacau Mine in Botswana;
- up to US\$[200] million (approximately HK\$[1,560] million) to be used for the partial repayment of amounts still outstanding under the US\$2,262.0 million term shareholder loan facility between Top Create Resources Limited and MMG South America Company Limited, of which US\$[700] million will mature in July 2024; and
- the remaining proceeds will be used for repayment of outstanding revolving credit facilities to various banks.

The repayment of these debt facilities will provide greater flexibility for the Company to fund the general corporate and working capital purposes of the Company and ongoing development of the Company's mines including but not limited to essential infrastructure and equipment.

### **Reasons for and Benefits of the Rights Issue**

After careful consideration, the Directors are of the opinion that the Rights Issue represents a meaningful step as the Company seeks to reduce Gearing. The Company has an objective of reducing Gearing through:

- application of net proceeds from the Rights Issue to repay existing debts incurred by the Group, as set out in the section headed "Use of Proceeds and Reasons for the Rights Issue — Use of Proceeds" above;;
- repayment of certain revolving credit facilities obtained by the Group;
- operating cash flow generated by various projects operated by the Company; and
- continued focus on productivity and cost saving initiatives.

The Rights Issue will further strengthen the capital base of the Company, achieve immediate interest cost savings and provide greater flexibility to fund future growth.

The Directors believe that it would be in the best interests of the company and the Shareholders as a whole to raise long-term equity through a Rights Issue. Unlike borrowings or issuance of debt securities, the Directors consider that the Rights Issue would be a preferred means for the Company to raise long-term funds without subjecting itself to interest burden or additional debt. The Rights Issue will enable Shareholders to participate in and benefit from the development of the Company.

## [EFFECT OF RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY]

For illustration purposes only, set out below is the shareholding structure of the Company as at the date of this announcement and immediately after completion of the Rights Issue assuming there is no change in the shareholding structure of the Company from the date of this announcement to immediately before completion of the Rights Issue.

Shareholder	As at the date of this announcement		Immediately following completion of Rights Issue (assuming all Qualifying Shareholders take up their entitlements under the Rights Issue)		Immediately following completion of the Rights Issue (assuming no Qualifying Shareholders take up their entitlements under the Rights Issue, other than the Committed Shareholder who shall take up the Undertaken Shares and the Joint Underwriters and/or subscriber(s) procured by it who shall take up all the Underwritten Shares)	
	No. of Shares	% of issued Shares (%)	No. of Shares	% of issued Shares (%)	No. of Shares	% of issued Shares (%)
The Committed Shareholder and certain of its associates	5,847,166,374	[67.49%]	8,186,032,923	[67.49%]	[8,186,032,923]	[67.49%]
Director(s) <sup>(b)</sup>	[940,050]	[0.01%]	[1,316,070]	[0.01%]	[940,050]	[0.01%]
The Joint Underwriters <sup>(c)</sup>	0	0	0	0	[1,126,565,937]	[9.29%]
Holders of the Award Shares issued pursuant to the 2021 Performance Awards <sup>(d)</sup>	[7,534,028]	[0.09%]	[10,547,639]	[0.09%]	[7,534,028]	[0.06%]
Other Shareholders	[2,807,940,764]	[32.41%]	[3,931,117,070]	[32.41%]	[2,807,940,764]	[23.15%]
Sub-total held by the public	[2,815,474,792]	[32.50%]	[3,941,664,709]	[32.50%]	[3,942,040,729]	[32.50%]
<b>Total:</b>	<b>[8,663,581,216]</b>	<b>[100.00%]</b>	<b>[12,129,013,702]</b>	<b>[100.00%]</b>	<b>[12,129,013,702]</b>	<b>[100.00%]</b>

### Notes:

- (a) Certain percentage figures included in the table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
- (b) As at the date of this announcement, Mr Xu Jiqing, non-executive Director, is interested in [940,050] Shares.
- (c) Pursuant to its underwriting obligations and excluding any other interests.
- (d) The Awards Shares issued pursuant to the 2021 Performance Awards were issued to a nominee agent on 3 June 2024 and will be vested to the respective Incentive Participants on 5 June 2024 (for illustration purpose, not including any Shares held by any of the relevant holders).

## **ADJUSTMENTS IN RELATION TO THE PERFORMANCE AWARDS AS A RESULT OF THE RIGHTS ISSUE**

As at the date of this announcement, the Company has [22,990,096] outstanding unvested Performance Awards.

Pursuant to the terms of the Long Term Incentive Equity Plan, which governs the Performance Awards, the Rights Issue is an event which may cause an adjustment to the number of Award Shares issuable upon vesting of the Performance Awards. Any adjustment will be made in compliance with the terms of the Long Term Incentive Equity Plan and the Listing Rules and the applicable guidance and/or interpretation of the Listing Rules issued by HKEX from time to time.

Further announcement(s) will be made by the Company in relation to the actual adjustments upon completion of the Rights Issue and the effective date of the adjustments as and when appropriate.

## **FUND RAISING BY THE COMPANY IN THE PAST TWELVE MONTHS**

The Company has not raised any funds by an issue of equity securities in the 12 months preceding the date of this announcement.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the proposed Rights Issue is not expected to increase the number of issued shares or the market capitalization of the Company by more than 50% within the 12-month period immediately preceding the date of the announcement, there is no requirement under the Listing Rules for the Rights Issue to be approved by Shareholders in a general meeting pursuant to Rule 7.19A(1) of the Listing Rules.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the proposed Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The public float requirements under the Listing Rules shall be fulfilled by the Company at all times. The Company will take all appropriate steps to ensure that sufficient public float be maintained at all times in compliance with Rule 8.08 of the Listing Rules.



## GENERAL

The Prospectus containing further information in relation to the Rights Issue and financial and other information relating to the Group is expected to be despatched by the Company, together with the PALs and EAFs, to Qualifying Shareholders on or before [Thursday], [20 June] 2024. A copy of the Prospectus will also be made available on the websites of the Company (<http://www.mmg.com>) and HKEX (<http://www.hkexnews.hk>). To the extent reasonably practicable and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, the Company will send copies of the Prospectus to Non-Qualifying Shareholders outside of the United States for their information only but will not send any PALs or EAFs to them.

## TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on HKEX was halted with effect from [9:00] a.m. on Monday, 3 June 2024 pending the release of this announcement. Application has been made to HKEX for the resumption of trading in the Shares from [9:00 a.m.] on Tuesday, 4 June 2024.

## EXCHANGE RATE

Unless otherwise specified, conversion of US\$ into HK\$ in this announcement is based on the exchange rate of US\$1.00 = HK\$7.80 for the purpose of illustration only.

No representation is made and there is no assurance that US\$ or HK\$ can be purchased or sold at such rates.

## WARNING OF THE RISKS OF DEALING IN SHARES AND NIL PAID RIGHTS

**Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Joint Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the sections headed “Underwriting Agreement — Conditions of the Underwriting Agreement” and “Underwriting Agreement — Termination of the Underwriting Agreement”). Accordingly, the Rights Issue may or may not proceed.**

**The Shares will be dealt in on an ex-rights basis from [Tuesday], [11 June] 2024. Dealings in the Nil Paid Rights are expected to take place from [Monday], [24 June] 2024 to [Tuesday], [2 July] 2024 (both days inclusive).**

**Any Shareholder or other person contemplating selling or purchasing Shares and/or Nil Paid Rights is advised to exercise caution when dealing in the Shares and/or Rights Shares. Any person who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser. Any Shareholder or other person dealing in Shares from the date of this announcement up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Joint Underwriters' right of termination of the Underwriting Agreement ceases) and any person dealing in the Nil Paid Rights during the period from [Monday], [24 June] 2024 to [Tuesday], [2 July] 2024 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**

## DEFINITIONS

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

“2021 Performance Awards”	Performance <u>A</u> wards granted by the Company to eligible Incentive Participants pursuant to the Long Term Incentive Equity Plan on 21 June 2021
“2022 Performance Awards”	Performance <u>A</u> wards granted by the Company to eligible Incentive Participants pursuant to the Long Term Incentive Equity Plan on 21 April 2022
“Acquisition of the Khoemacau Mine in Botswana”	the acquisition of the entire issued share capital of Cuprous Capital Ltd, which indirectly wholly owns the Khoemacau Mine, as disclosed in the announcements of the Company dated 21 November 2023 and 25 March 2024
“Album Enterprises”	Album Enterprises Limited, a company incorporated in Hong Kong with limited liability and a [direct wholly owned subsidiary] of CMN
“associate”	has the meaning ascribed thereto under the Listing Rules
“Award Shares”	the Shares to be awarded to the Incentive Participants pursuant to vesting of the Performance Awards granted on 21 June 2021 and 21 April 2022 under the Long <u>T</u> erm Incentive Equity Plan
“Beneficial Owner”	any beneficial owner of Shares whose Shares are registered in the name of a Registered Owner

“Board”	the board of directors or a duly constituted and authorised committee thereof
“Business Day”	any day (other than a Saturday and Sunday) on which licensed banks are open for normal banking business in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“ChinaClear”	China Securities Depository and Clearing Corporation Limited
“Closing Date”	the date of completion of the Rights Issue
“CMC”	中國五礦集團有限公司 (China Minmetals Corporation), a state-owned enterprise incorporated on 7 April 1950 under the laws of the PRC and the ultimate controlling shareholder of the Company
“CMCL”	中國五礦股份有限公司 (China Minmetals Corporation Limited), a joint stock limited company incorporated on 16 December 2010 under the laws of the PRC and owned as to approximately 87.538% directly by CMC, and as to approximately 0.846% directly by 中國五金製品有限公司 (China National Metal Products Co., Ltd.), a wholly owned subsidiary of CMC, as at the date of this announcement. CMC has an attributable interest of approximately 88.384% in CMCL as at the date of this announcement
“CMN”	五礦有色金屬股份有限公司 (China Minmetals Non-ferrous Metals Co., Ltd), a joint stock limited company incorporated on 27 December 2001 under the laws of the PRC and owned as to approximately 99.999% directly by CMNH, and approximately 0.001% directly by CMCL, as at the date of this announcement. CMN is the controlling shareholder of the Company, holding indirectly approximately [67.49]% of the total number of Shares in issue as at the date of this announcement

“CMNH”	五礦有色金屬控股有限公司 (China Minmetals Non-ferrous Metals Holding Co., Ltd), a joint stock limited company incorporated on 22 December 2009 under the laws of the PRC and a wholly owned subsidiary of CMCL as at the date of this announcement. CMNH is a controlling shareholder of CMN, holding directly approximately 99.999% of CMN as at the date of this announcement
“Committed Shareholder”	Minmetals HK
“Committed Shareholder Irrevocable Undertaking”	the irrevocable undertaking given by the Committed Shareholder in favour of the Company and the Joint Underwriters to subscribe, and to procure certain subscriptions, for [2,338,866,549] Rights Shares provisionally allotted in respect of the Committed Shareholder Irrevocable Undertaking Shares
“Committed Shareholder Irrevocable Undertaking Shares”	[5,847,166,374] Shares in which the Committed Shareholder is beneficially interested as at the date of this announcement
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”	MMG Limited, a company incorporated on 29 July 1988 in Hong Kong with limited liability, the securities of which are listed on the main board of HKEX (Stock Code: 1208)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“CSRC”	the China Securities Regulatory Commission
“CSRC Notice”	the notice of the CSRC “Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Mainland-Hong Kong Stock Connect” (Announcement [2016] No. 21)

“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) to be issued to the Qualifying Shareholders (other than the PRC Stock Connect Investors) in respect of applications for excess Rights Shares in connection with the Rights Issue
“Gearing”	net debt (total borrowings excluding finance charge prepayments, less cash and bank deposits) divided by the aggregate of net debt plus total equity
“Group”	the Company and its subsidiaries, from time to time
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKEX”	The Stock Exchange of Hong Kong Limited
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Incentive Participants”	the executive directors of the Company and/or certain executives and managers of the Company and/or subsidiaries of the Company who are granted Performance Awards pursuant to the Long Term Incentive Equity Plan
“Investor Presentation”	any investor presentation materials published, or used at any investor meetings, by the Company in connection with the Rights Issue
“Joint Underwriters”	[Citigroup Global Markets Limited, Macquarie Capital Limited, Merrill Lynch (Asia Pacific) Limited and Huatai Financial Holdings (Hong Kong) Limited]
“Joint Venture”	the joint venture to be set up to operate the Khoemacau Mine, as disclosed in the announcement of the Company dated 30 May 2024
“Khoemacau Mine”	the copper mines, processing facilities and associated infrastructure at the Khoemacau copper project located within the Kalahari Copper Belt in north-west Botswana;

“Last Trading Day”	[ <u>Friday</u> ], [ <u>31 May</u> ] 2024, being the last full trading day for the Shares before the release of this announcement
“Latest Time for Acceptance”	4:00 p.m. on [ <u>Friday</u> ], [ <u>5 July</u> ] 2024, or such later time or date as the Joint Underwriters may agree in writing with the Company, being the latest time and date for acceptance of, and payment for, the Rights Shares, and application for and payment for excess Rights Shares as described in the Prospectus Documents
“Latest Time for Termination”	[4:00 p.m.] on [ <u>Thursday</u> ], [ <u>11 July</u> ] 2024, or such later date as the Company and the Joint Underwriters may agree in writing
“Listing Rules”	the Rules Governing the Listing of Securities on HKEX as amended from time to time
“Long Term Incentive Equity Plan”	the long-term incentive equity plan adopted by the Company
“Minmetals HK”	China Minmetals H.K. (Holdings) Limited, a company incorporated on 16 April 1996 in Hong Kong and owned as to approximately [38.95]% directly by Album Enterprises, as to approximately [39.04]% directly by CMCL, and as to approximately [22.01]% directly by Top Create, as at the date of this announcement
“Nil Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) and other person(s) whom the Directors, after making relevant enquiries, consider it necessary or expedient not to offer the Rights Shares or Nil Paid Rights to on account of either the legal restrictions under the laws of a place outside Hong Kong or the requirements of the relevant regulatory body or stock exchange in that place

“Overseas Shareholder(s)”	the Shareholder(s) on the Record Date whose address(es) as shown on the register of members of the Company is/are outside Hong Kong (other than a PRC Stock Connect Investor), or Beneficial Owners that are known to the Company as being resident outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in respect of their assured entitlements in connection with the Rights Issue
“Performance Awards”	the performance awards granted by the Company to the eligible participants pursuant to the Long Term Incentive Equity Plan on 21 June 2021 and 21 April 2022
“PRC”	the People’s Republic of China, which, for the purpose of this announcement and the Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“PRC Stock Connect Investor(s)”	the PRC southbound trading investor(s) through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect who hold the Shares through ChinaClear as nominee
“Prospectus”	the prospectus to be issued in connection with the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL(s) and the EAF(s)
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear on the register of members of the Company at [5:00 p.m.] on the Record Date
“Record Date”	[Wednesday], [19 June] 2024, the date by reference to which entitlements entitlement to participate in the Rights Issue will be determined

“Registered Owner”	in respect of a Beneficial Owner, a nominee, trustee, depository or any other authorised custodian or third party which is the registered holder in the register of members of the Company of the Shares in which the Beneficial Owner is beneficially interested
“Registrar”	the Company’s share registrar and transfer office, Computershare Hong Kong Investor Services Limited at [Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong in respect of the Shares]
“Rights Issue”	the proposed offer by way of rights issue by the Company of the Rights Shares to Qualifying Shareholders on the basis of [2] Rights Shares for every [5] existing Shares held by the Shareholders at 5:00 p.m. on the Record Date payable in full on acceptance and subject to the terms set out in the Prospectus Documents
“Rights Share(s)”	the new Share(s) proposed to be allotted and issued under the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Shanghai-Hong Kong Stock Connect”	a securities trading and clearing links programme developed by the Hong Kong Exchanges and Clearing Limited, the Shanghai Stock Exchange and ChinaClear for the establishment of mutual market access between Hong Kong and Shanghai
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing links programme developed by the Hong Kong Exchanges and Clearing Limited, the Shenzhen Stock Exchange and ChinaClear for the establishment of mutual market access between Hong Kong and Shenzhen



“Sole Global Coordinator”	Citigroup Global Markets Limited
“Subscription Price”	the subscription price of HK\$[2.62] per Rights   Share pursuant to the Rights Issue
“subsidiary(ies)”	has the meaning ascribed thereto under the   Companies Ordinance
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“Top Create”	Top Create Resources Limited, a company incorporated in the British Virgin Islands with limited liability [and a direct wholly owned subsidiary] of CMN
“Undertaken Shares”	[2,338,866,549] Rights Shares, being the number of Rights Shares for which the Committed Shareholder have undertaken to take up (or procure to take up) and to apply for pursuant to the Committed Shareholder Irrevocable Undertaking
“Underwriting Agreement”	the underwriting agreement dated [3 June] 2024 entered into between the Company and the Joint Underwriters in relation to the underwriting of the Underwritten Shares and certain other arrangements in respect of the Rights Issue
“Underwritten Shares”	[such number of Rights Shares as is equal to the total number of Rights Shares less the aggregate number of the Rights Shares which the Committed Shareholder has irrevocably undertaken to subscribe, or procure subscriptions for (as the case may be), pursuant to the Committed Shareholder Irrevocable Undertaking]
“United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“U.S.” or “United States”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended from time to time
“US\$”	U.S. dollar, the lawful currency of the U.S.

“Untaken Shares”

those (if any) of the Underwritten Shares that are not taken up by the Qualifying Shareholders (or their renounces), unsold entitlements of the Non-Qualifying Shareholder to the Rights Shares and any unsold Rights Shares representing the aggregation of fractions

“%”

per cent

By order of the Board  
**MMG Limited**  
**Xu Jiqing**  
*Chairman and Non-executive Director*


Hong Kong, [4 June] 2024

*As at the date of this announcement, the Board comprises six directors, of which one is an executive director, namely Mr Cao Liang; two are non-executive directors, namely Mr Xu Jiqing (Chairman) and Mr Zhang Shuqiang; and three are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan and Mr Chan Ka Keung, Peter.*

**IN WITNESS WHEREOF** this Agreement has been duly entered into on the day and year first before-mentioned.

**SIGNED** by **Cao Liang**  
for and on behalf of  
**MMG LIMITED**

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\_\_\_\_\_  
Authorised Signatory

**SIGNED** by  
for and on behalf of  
**CITIGROUP GLOBAL MARKETS  
LIMITED**



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Title: Managing Director  
Name: Kenneth Chow

**SIGNED** by  
for and on behalf of  
**MACQUARIE CAPITAL LIMITED**



A handwritten signature in black ink that reads "Wendy Zhai". The signature is written in a cursive style and is positioned above a solid horizontal line.

Title: Managing Director  
Name: Wendy Zhai

**SIGNED** by  
for and on behalf of  
**MACQUARIE CAPITAL LIMITED**



A handwritten signature in black ink that appears to be "Alexander Lam". The signature is written in a cursive style and is positioned above a solid horizontal line.

Title: Associate Director  
Name: Alexander Lam

**SIGNED** by  
for and on behalf of  
**MERRILL LYNCH (ASIA PACIFIC)  
LIMITED**



A handwritten signature in black ink is written over a solid horizontal line. The signature is stylized and appears to be 'LI Xiang Betty'.

Title: Managing Director  
Name: LI Xiang Betty

**SIGNED** by  
for and on behalf of  
**HUATAI FINANCIAL HOLDINGS (HONG  
KONG) LIMITED**



Title: Managing Director  
Name: Lisa Wang