

CHINA MINMETALS H.K. (HOLDINGS) LIMITED

11/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong

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")

_____ 3 June _____ 2024

Dear Sirs,

Irrevocable letter of undertaking (the "Undertaking") in relation to the 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 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 _____ 4 June 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 _____ 3 June 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 67.49 % 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 3,465,432,486 Rights Shares at HK\$2.62 per Rights Share on the basis of 2 Rights Shares 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 2,338,866,549 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: YAN XIAOQING

Address:

11/F., China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong

Name, address and signature of witness:

Signature: 

Name :ZHANG HENG

Address:

11/F., China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong

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.

Neither this announcement nor any copy thereof may be released into or distributed directly or indirectly in the United States or any other jurisdiction where such release or distribution might be unlawful.

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.

Distribution of this announcement into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession this announcement comes should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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) ^(b)	[940,050]	[0.01%]	[1,316,070]	[0.01%]	[940,050]	[0.01%]
The Joint Underwriters ^(c)	0	0	0	0	[1,126,565,937]	[9.29%]
Holders of the Award Shares issued pursuant to the 2021 Performance Awards ^(d)	[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%]
Total:	[8,663,581,216]	[100.00%]	[12,129,013,702]	[100.00%]	[12,129,013,702]	[100.00%]

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”	[Friday], [31 May] 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 [Friday], [5 July] 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 [Thursday], [11 July] 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.