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MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

CONNECTED TRANSACTION KHOEMACAU CONCENTRATE PLANT AND BOXCUT AND MINING INFRASTRUCTURE CONSTRUCTION AGREEMENT

CONSTRUCTION AGREEMENT

MMG is progressing the development of construction for the Khoemacau expansion project at the Khoemacau mine which includes construction of the Khoemacau concentrate plant and boxcut and mining infrastructure construction.

On 19 March 2026, Khoemacau Copper and the MCC23 Botswana entered into the Construction Agreement for construction of the Khoemacau concentrate plant and boxcut and mining infrastructure.

LISTING RULES IMPLICATIONS

MCC23 Botswana is indirectly wholly-owned by Minmetals Land Limited which in turn is wholly-owned by CMC, the ultimate controlling shareholder of the Company. Therefore, MCC23 Botswana is a connected person of the Company under the Listing Rules. As a result, the Construction Agreement constitutes a connected transaction for the Company.

As some of the relevant percentage ratios in respect of the Construction Agreement are more than 0.1% but all are less than 5% (including when aggregated with pre-existing connected transactions), such connected transactions are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

CONSTRUCTION AGREEMENT

MMG is progressing construction of the Khoemacau expansion project at the Khoemacau mine which includes construction of the Khoemacau concentrate plant and boxcut and mining infrastructure.

On 19 March 2026, Khoemacau Copper and the MCC23 Botswana entered into the Construction Agreement for construction of the Khoemacau concentrate plant and boxcut and mining infrastructure and other similar services.

The principal terms of the Construction Agreement are set out below.

Parties	: 1) Khoemac <u>au</u> Copper 2) MCC23 Botswana
Scope of work	: Provision of construction services by the MCC23 Botswana regarding the construction of the Khoemac <u>au</u> concentrate plant and boxcut and mining infrastructure.
Term	: 24 months, commencing on 19 March 2026
Consideration	: Contract sum of approximately US\$31.5 million (equivalent to approximately HK\$245.7 million)
Payment Terms	: • 10% of the contracted value as an advance payment (provided that an advance payment security, performance security, and project reports are provided by the MCC23 Botswana as required). This shall later be deducted from amounts that would otherwise be due from Khoemac<u>au</u> Copper to the MCC23 Botswana; • up to 80% of the contracted value will be payable on a monthly basis based on the level of completion of the scope of work; • 15% of the confirmed final completion volume, which shall not be higher than the contracted value, paid after installation and commissioning; and • 5% of the confirmed final completion volume, which shall not be higher than the contracted value, after the warranty period.
Advance payment security and performance security	: Advance payment security and performance security for 10% of the contracted value.

In order to determine the award of the Construction Agreement, twelve vendors were invited to tender. Khoemacau Copper determined that six vendors met its internal requirements and progressed to the selection process. The selection process adopted a comprehensive evaluation method, with a weighting of 40% given to non-price factors including capacity of the company, engineering performance, key management personnel, construction organization, health safety

and environment management, quality assurance and quality control management, integrated logistics and a weighting of 60% given to the bidding price.

Following the evaluation, the MCC23 emerged as the top-ranked bidder. The MCC23 is one of the largest contractors in the mining sector, with extensive experience and a strong track record. The company demonstrated excellence in several key areas:

- **Project organization:** The MCC23 presented a well-structured construction layout and comprehensive preparation and planning.
- **Construction resources:** The MCC23 has secured a framework agreement for mobile equipment to expedite the project, with labor and material resources already in place.
- **Project management team:** The top management of the MCC23 is personally involved, with senior leadership taking on the role of project manager.
- **Construction milestones:** The MCC23 proposed a project timeline that aligns perfectly with the requirements.
- **Competitive pricing:** The MCC23 offered a highly competitive price while maintaining the highest standards of quality and efficiency.

This combination of strengths positioned the MCC23 as the most suitable choice for the project.

The Construction Agreement has been negotiated on an arm's length basis and is considered by management to reflect normal commercial terms, with fair and reasonable pricing, and to be in the best interests of the shareholders.

Such pricing mechanism has been reviewed and considered by the executive committee of the Company and approved by the independent non-executive directors (INEDs). The Directors (including the INEDs) consider that the terms agreed with the MCC23 Botswana under the Construction Agreement are at least as favourable to the Company as those of other independent parties taking part in the competitive tender process, and that it is in the best interests of the Company, when compared with alternative suppliers as demonstrated through its competitive tender process, to award the Construction Agreement to the MCC23 Botswana.

REASONS FOR AND BENEFITS OF THE CONCENTRATE PLANT AND BOXCUT CONSTRUCTION AGREEMENT

The entering into of the Construction Agreement has the benefit of delivery of construction services necessary for the construction of the Khoemaçau concentrate plant and boxcut and mining infrastructure, which are on terms that are in the commercial interests of the Group.

The terms of the Construction Agreement have been reviewed and approved by the Directors (including the INEDs but excluding the Interested Directors), who are of the view that the terms of the Construction Agreement and the transactions contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Interested Directors, each holding position(s) at CMC and/or CMN, have abstained from voting on the Board resolution approving the Construction Agreement in order to avoid any

possible conflict of interest. Mr QIAN Song and Mr YUE Wenjun, who were appointed as Directors with effect from 27 January 2026, did not take part in the Board voting on the Construction Agreement as their appointment occurred after the approval date of the Construction Agreement by the Board.

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As some of the relevant percentage ratios in respect of the Construction Agreement are more than 0.1% but all are less than 5%, (including when aggregated with pre-existing connected transactions), such transactions are subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION ABOUT THE GROUP

The Group is engaged in the exploration, development and mining of copper, zinc, gold, silver, cobalt, molybdenum and lead deposits around the world.

INFORMATION ABOUT THE CONNECTED PERSON

MCC23 Botswana is a wholly owned subsidiary of MCC23. MCC23 was established in 1953, a wholly-owned subsidiary of Minmetals Land Limited which in turn is wholly-owned by CMC, the ultimate controlling shareholder of the Company. The MCC23 has the top-grade qualification for metallurgical engineering construction. It has diversified business, mainly engaged in metallurgical engineering construction, engineering, construction, investment and financing business, and real estate business. Over the past seven decades, MCC23 has achieved more than 300 national, ministerial, and provincial excellent projects at home and abroad, such as Minmetals Wanjiang Caizhi Center (Luban Award) and the Hunan Changyuan Lithium Science Vehicle Lithium Battery Cathode Material Production Expansion Phase I Project- Multi-element Cathode Material System (Luban Award).

The pre-existing connected transactions include the following:

Testing Services

Parties	: (1) Khoemacau Copper (2) CRIMM
Term	: 6 months
Scope	: Provision of Testing Services for the optimisation of flotation circuits
Consideration	: USD\$92,000

Payment terms : Advanced payment with final claim at completion of works
Tender Process : Sole source with price check

Design Services

Parties : (1) Khoemacau Copper
(2) ENFI
Term : 4 months from March 2025
Scope : Provision of Design Services for Backfill Plant
Consideration : USD\$60,000
Payment terms : 60% advance payment and 40% on completion
Tender Process : Call off order on original competitive tender

Logistics and Transport Services

Parties : (1) Khoemacau Copper
(2) Minmetals Shipping (Singapore) Pte Ltd
Term : 24 weeks
Scope : Provision of sea and overland shipping and transport
Consideration : USD\$400,000
Payment terms : 30 Days against the invoice
Tender Process : Competitive tender

Feasibility Study Services

Parties : (1) Khoemacau Copper
(2) ENFI
Term : 3 months from March 2025
Scope : Provision of Feasibility Study services for Underground Ventilation
Consideration : USD\$247,360
Payment terms : 60% advanced, 20% progress, 15% progress and final 5% on completion of the report
Tender Process : Call off order on original competitive tender

Feasibility Study Services

Parties : (1) Khoemacau Copper
(2) ENFI

Term : 4 months (end November 2025)

Scope : Provision of Feasibility Study services for Khoemacau Expansion Project

Consideration : USD\$430,000

Payment terms : 60% advanced, 20% progress, 15% progress and final 5% on completion of the report

Tender Process : Call off order on original competitive tender

Testing Services

Parties : (1) Khoemacau Copper
(2) CRIMM

Term : 6 months

Scope : Additional test work for the optimisation of the flotation circuit

Consideration : USD\$97,500

Payment terms : 100% payment on completion

Tender Process : Sole source continuation from initial purchase order (extra work)

Design Services

Parties : (1) Khoemacau Copper
(2) ENFI

Term : 8 Months for Detail Design and 30 months potential Site Service

Scope : Provision of Design services

Consideration : USD\$6,888,948

Payment terms : 30 Days against the invoice

Tender Process : Competitive tender

Metallogenic Study Services

Parties : (1) Khoemacau Copper
(2) Minmetals Exploration

Term : 7 months

Scope : Provision of Metallogenic study services

Consideration : USD\$98,000

Payment terms : 30 Days against the invoice

Tender Process : Sole Source

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

Board	the board of directors of the Company
CMC	中國五礦集團有限公司 (China Minmetals Corporation), a state-owned enterprise incorporated under the laws of the PRC and the ultimate controlling shareholder of the Company
CMN	五礦有色金屬股份有限公司 (China Minmetals Non-ferrous Metals Co., Ltd.), a company incorporated under the laws of the PRC and a controlling shareholder of the Company
Company or MMG	MMG Limited, a company incorporated in Hong Kong, the securities of which are listed and traded on the main board of the Stock Exchange
Construction Agreement	the agreement dated 19 March 2026 between the Khoemacau Copper and the MCC23 Botswana to the construction of the Khoemacau concentrate plant and boxcut and mining infrastructure
connected person	has the meaning ascribed to it under the Listing Rules
controlling shareholder	has the meaning ascribed to it under the Listing Rules
CRIMM	Changsha Research Institute of Mining and Metallurgy Co., Ltd. (長沙礦冶研究院有限責任公司), a company incorporated under the laws of the PRC and a wholly-owned subsidiary of CMC
Director(s)	the director(s) of the Company
ENFI	China ENFI Engineering Corporation (中國恩菲工程技術有限公司), a company incorporated under the laws of the PRC and a subsidiary of MCC Ltd
Group	the Company and its subsidiaries from time to time
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Interested Directors	Cao Liang, Zhang Shuqiang and Zhao Jing Ivo
Khoemacau Copper	Khoemacau Copper Mining Proprietary Limited, a company incorporated in Botswana, a subsidiary of the Company and the operator the Khoemacau mine
MCC Ltd	Metallurgical Corporation of China Ltd., a Hong Kong and Shanghai dual-listed company, and a subsidiary of the CMC
MCC23	五礦二十三冶建設集團有限公司, a company incorporated under the laws of PRC and a wholly-owned subsidiary of Minmetals Land Limited which in turn is wholly-owned by CMC
MCC23 Botswana	The 23rd Metallurgical Construction Group Co., Ltd. of Minmetals, a company incorporated in Botswana and a wholly-owned subsidiary of MCC23

Minmetals Exploration	Minmetals Exploration & Development Co., Ltd. (五礦勘探開發有限公司), a company incorporated under the laws of PRC, which is a subsidiary of CMC
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
PRC	the People's Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
Stock Exchange	The Stock Exchange of Hong Kong Limited
subsidiary	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
%	Percentage

Unless otherwise specified, conversion of US\$ into HK\$ in this announcement is based on the exchange rate of US\$1.00 = HK\$7.8 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 rate.

By order of the Board
MMG Limited
Zhao Jing Ivo
CEO and Executive Director

Hong Kong, 19 March 2026

As at the date of this announcement, the Board comprises nine directors, of which two are executive directors, namely Mr Zhao Jing Ivo and Mr Qian Song; three are non-executive directors, namely Mr Zhang Shuqiang, Mr Cao Liang (Chairman) and Mr Yue Wenjun; and four are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan, Mr Chan Ka Keung, Peter and Ms Chen Ying.