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中國大冶有色金屬礦業有限公司

China Daye Non-Ferrous Metals Mining Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00661)

REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS

BACKGROUND

References are made to the Continuing Connected Transactions Announcements in relation to, among others, the Yangxin Hongsheng Services Framework Agreement and the Existing Annual Caps. Under the Yangxin Hongsheng Services Framework Agreement, the Group will provide certain services to Yangxin Hongsheng as agreed by the parties from time to time during the term thereof.

Revision of Annual Caps for Continuing Connected Transactions

Reference is made to the announcement dated 18 June 2026, regarding the very substantial disposal and connected transactions of a subsidiary. The proposed transaction under the Yangxin Hongsheng Services Framework Agreement included certain services provided by the Design and Research Company (which was a wholly-owned subsidiary of the Group immediately prior to the completion of the Disposal) to Yangxin Hongsheng. As the calculation of the Existing Annual Caps assumed that the Disposal would be completed before the end of 2025, the Existing Annual Caps did not include certain services provided by the Design and Research Company to Yangxin Hongsheng. However, the Disposal was delayed beyond expected until the resolution of the extraordinary general meeting held on 14 August 2026 was passed. Therefore, the transactions from 1 January 2026 to 14 August 2026 need to be included in the annual cap for 2026 of the Yangxin Hongsheng Services Framework Agreement, amounting to approximately RMB3.57 million. Besides, it is expected that Daye Metal plans to provide Yangxin Hongsheng with arsenic sulfide slag and neutralization slag disposal services, leading to an increase in the transaction amount under the Yangxin Hongsheng Services Framework Agreement. Accordingly, the Board envisages that the Existing Annual Caps will not be sufficient to fulfill the additional previously unforeseen transactions that may take place under the Yangxin Hongsheng Services Framework Agreement for the three financial years ending 31 December 2028.

Historical Transaction Amount

For the seven months ended 31 July 2026, the transaction amount incurred in respect of the transactions under the Yangxin Hongsheng Services Framework Agreement was approximately RMB9.03 million (unaudited). The Company also confirms that as at the date of this announcement, the actual transaction amount under the Yangxin Hongsheng Services Framework Agreement has not exceeded the Existing Annual Caps.

Revision of Annual Caps of the Yangxin Hongsheng Services Framework Agreement

Accordingly, the Board resolved to revise the annual caps for the three years ending 31 December 2028 for the transactions as contemplated under the Yangxin Hongsheng Services Framework Agreement as follows:

	Year ending 31 December		
	2026	2027	2028
	(RMB'000)	(RMB'000)	(RMB'000)
Existing Annual Caps	11,152	11,677	11,532
Revised Annual Caps	17,100	17,680	17,530

The above Revised Annual Caps have been determined with reference to the: (i) historical service fees received by the Group from other purchasers for similar services provided; (ii) expected volume of services to be provided to Yangxin Hongsheng; and (iii) expected amount of services fees to be received by the Group in the next three years ending 2028.

The increase in the annual cap for 2026 is mainly due to: 1. The impact of the delay of the Disposal from January to August 2026, with an estimated transaction value of approximately RMB4 million; 2. Daye Metal plans to provide Yangxin Hongsheng with arsenic sulfide slag and neutralization slag disposal services, with an estimated value of RMB1.95 million, increasing the annual cap for 2026 to RMB17.1 million. The increase in the 2027 and 2028 caps is mainly due to Daye Metal's plan to provide Yangxin Hongsheng with arsenic sulfide slag and neutralization slag disposal services, with an estimated annual value of RMB6 million, increasing the caps for 2027 and 2028 to RMB17.68 million and RMB17.53 million, respectively.

Pricing Policy

The terms of the Yangxin Hongsheng Services Framework Agreement have not been changed or modified in any way and the major terms (including the pricing policy) are set out in the section headed "3. Yangxin Hongsheng Services Framework Agreement" in the announcement dated 6 November 2025.

REASONS FOR AND BENEFITS OF THE ADOPTION OF REVISED ANNUAL CAPS

Upon re-assessment of a series of comprehensive factors (including the market environment and the actual business needs of the Group and Yangxin Hongsheng), the estimated transaction amount of arsenic sulfide slag and neutralization slag disposal services will be increased. Therefore, the transaction amount under the Yangxin Hongsheng Services Framework Agreement are expected to increase, and the Board envisages that the Existing Annual Caps will not be sufficient to fulfill the additional previously unforeseen transactions that may take place under each of the Yangxin Hongsheng Services Framework Agreement for the three financial years ending 31 December 2028.

The Board is of the view that the provision of these services is necessary to safeguard the production and operation of Yangxin Hongsheng, and the Group is qualified to provide these services, and the provision of this part of the services by the Group can maximise the benefits of the Group.

The Directors (including the independent non-executive Directors) are of the view that the Yangxin Hongsheng Services Framework Agreement has been entered into on normal commercial terms, in the ordinary and usual course of business of the Group, and together with the Revised Annual Caps, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

The Company has established the connected transactions management committee, which is the discussion and decision-making body for the connected transactions management, and is led by the Board which directly and comprehensively manages the relevant matters of the connected transactions.

PRICING

The Company has implemented stringent measures to monitor the pricing standards for the continuing connected transactions of the Group. The department heads of the relevant business departments are responsible for the initial pricing of the proposed connected transactions of the Group. Such initial pricing will be reported to and approved by the finance department of the Company. Then, these prices will be reported to the legal department of the Company, which is responsible for collating from the various business departments information regarding the proposed connected transactions of the Group, and ensuring that the terms of any such proposed connected transactions are in compliance with applicable laws, rules and regulations. After these review processes, the legal representative or authorized representative of the Company will execute such connected transactions on behalf of the Company. The capital operation department, finance department and legal department of the Company are responsible for monitoring each of the connected transactions of the Group to ensure that they are conducted in accordance with its terms, including the relevant pricing mechanism and the periodic reporting of the relevant transaction amounts. The corporate development department and the finance department of the Company will monitor the continuing connected transactions and summarize the transaction amounts incurred under each of the connected transaction framework agreements regularly on a monthly basis, and reports will be submitted to the Board for its monthly review. In the event the actual transaction amount reaches 80% of the relevant annual cap, a re-assessment will be conducted. If it is determined after such re-assessment that the annual cap may be exceeded, the enterprise development department of the Company would initiate the procedures for a board meeting and/or shareholders' meeting (as and when required) to increase the annual cap as soon as practicable.

SCOPE OF CONNECTED PERSONS

The corporate development department of the Company, on a quarterly basis, reviews the list of transaction parties to ascertain whether they are connected persons of the Company, so as to maintain a list of connected persons for staff members to identify transactions constituting connected transactions of the Company. Any alteration to the list of connected persons can only be made after checking with the counterparty to ascertain its relationship with the Company. In the case of an addition to the list of connected persons, evidence such as an organization chart of the connected party will have to be obtained, and in the case of a removal from the list of connected persons, evidence will have to be obtained to confirm the date on which the relevant party ceased to be a connected person of the Company. Any update to the list of connected persons must be immediately reported to and approved by the management of the Group to ensure the management is aware of such update.

MONTHLY MONITORING OF THE AGGREGATION OF TRANSACTIONS

The finance department of the Group will maintain a database to record and monitor the aggregate transaction amounts under the continuing connected transactions from time to time and prepare a monthly report on the status of the aggregate transaction amounts which will be submitted to the financial person in charge of the Group for review. Before conducting any transactions with connected persons, the corporate development department will confirm that the Group still has a sufficient unused transaction amount under the annual caps for carrying out the relevant continuing connected transactions. The finance department will on a regular basis review the continuing connected transactions carried out during the period under review to assess the monthly transaction amount, the aggregate amount of transactions conducted during the relevant financial year and whether the relevant annual caps have been exceeded. In addition, the Company will also ensure that the aggregation principle under Rule 14A.81 of the Listing Rules will be strictly adhered to by all levels of the Group in the management of connected transactions through mandatory internal training for its subsidiaries and business units, details of which are set out in the section headed “Internal Training” below.

POLICY REVIEW AND ASSESSMENT

The internal control department of the Company shall review the monitoring policies and procedures for continuing connected transactions on a half-year basis to ensure that the aforementioned policies and procedures are adequate and effective, and the head of the internal control department shall report the review results to the person in charge of finance of the Company. The internal control department regularly reviews and monitors whether the continuing connected transactions are conducted on normal commercial terms and are in compliance with the policies and procedures.

NON-COMPLIANCE CONTROL

In the event of any non-compliance issue or inadequacy in the policies and procedures, the internal control department will immediately report such matters to the executive Directors of the Company and will take remedial actions. In addition, as a mandatory disciplinary mechanism to prevent non-compliance and enhance the compliance awareness of various business units, the corporate development department (acting as the performance evaluation office of the Group) may, at its discretion, include “compliance with the Listing Rules” as a performance indicator when evaluating the relevant business units. If a business unit fails to notify the Group’s management of a violation of the Listing Rules in respect of a connected transaction, points will be deducted from the relevant performance appraisal score, which will in turn affect wages and performance bonuses.

INTERNAL TRAINING

In order to strengthen procedural management, enhance the business standard of connected transactions and the compliance awareness of the Group’s business staff, as well as the internal audit and daily management of connected transactions, the corporate development department of the Company will conduct connected transaction management training annually in accordance with the “Connected Transactions Management Measures of China Daye Non-Ferrous Metals Mining Limited”. It is expected that the training will include the provision of reading materials, detailed case studies of past non-compliance incidents, explanations, Q&A sessions, and answering questions from time to time after the training. The target audience for the training shall include (i) relevant personnel from the Group’s finance department and business staff of individual subsidiaries; and (ii) relevant personnel from the Company’s legal and compliance department, the chief financial officer, finance personnel, and legal personnel of various business units.

REVIEW BY INDEPENDENT NON-EXECUTIVE DIRECTORS

Further, the transactions under the Yangxin Hongsheng Services Framework Agreement are subject to the reporting requirements and the independent non-executive Directors will review the transactions annually to assess whether such transactions are conducted in accordance with the terms (including the pricing mechanism) as set out in the Yangxin Hongsheng Services Framework Agreement.

The Directors consider that the internal control system of the Group is adequate to ensure that the transactions will be on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in the exploitation of mineral resources, the mining and processing of mineral ores and the trading of metal products.

Yangxin Hongsheng is a limited liability company established in the PRC and principally engaged in the manufacturing and sale of metal materials and chemicals, and the sale of nonferrous alloys and bullion products. It is a non-wholly owned subsidiary of the Company, owned as to 52.00% by Daye Metal, 24% by China No. 15 Metallurgical (a wholly-owned subsidiary of CNMC), 12% by Huangshi Xingang Development and 12% by Hubei Edong Industrial Investment respectively.

LISTING RULES IMPLICATIONS

According to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual caps for continuing connected transactions, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to the relevant connected transactions.

Yangxin Hongsheng is owned as to 52.00% by Daye Metal, 24% by China No. 15 Metallurgical (a wholly-owned subsidiary of CNMC), 12% by Huangshi Xingang Development and 12% by Hubei Edong Industrial Investment respectively. Accordingly, Yangxin Hongsheng is a connected subsidiary of the Company. As a result, the transactions contemplated under the Yangxin Hongsheng Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Revised Annual Caps is expected to be more than 0.1% but less than 5%, the Yangxin Hongsheng Services Framework Agreement is subject to the reporting, announcement and annual review requirements, but is exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Xiao Shuxin, an executive director, is a director of the Parent Company. Mr. Liu Yibin, an executive director, is a chief accountant of the Parent Company. Therefore, Mr. Xiao Shuxin and Mr. Liu Yibin are deemed to have a material interest in the Agreement. They have therefore abstained from voting on the resolution passed by the Board to approve the Agreement. Save as disclosed above, none of the Directors has any material interest in, or is required to abstain from voting on the resolutions passed by the Board to approve the adoption of Revised Annual Caps.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“China No. 15 Metallurgical”	China No. 15 Metallurgical Construction Group Co., Ltd.* (中國十五冶金建設集團有限公司), a limited liability company established in the PRC and a wholly owned subsidiary of CNMC
“CNMC”	China Nonferrous Metal Mining (Group) Co., Ltd.* (中國有色礦業集團有限公司), a company incorporated in the PRC and a controlling shareholder
“Company”	China Daye Non-Ferrous Metals Mining Limited (Stock Code: 661), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Continuing Connected Transactions Announcements”	the announcements of the Company dated 6 November 2025 in relation to, among others, the entering into of the Yangxin Hongsheng Services Framework Agreement and the Existing Annual Caps
“Daye Metal”	Daye Non-ferrous Metals Co., Ltd.* (大冶有色金屬有限責任公司), a limited liability company established in the PRC and a non-wholly owned subsidiary of the Company
“Design and Research Company”	Daye Nonferrous Design and Research Institute Co., Ltd.* (大冶有色設計研究院有限公司) a limited liability company incorporated in PRC, a wholly-owned subsidiary of the Group immediately prior to completion of the Disposal
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of Design and Research Company in accordance with the terms and conditions of the equity transfer agreement dated 18 June 2026
“Existing Annual Caps”	the existing annual caps amount in respect of certain services provided by the Group to Yangxin Hongsheng under the Yangxin Hongsheng Services Framework Agreement for the three financial years ending 31 December 2028 as set out in the Continuing Connected Transactions Announcements and the Continuing Connected Transactions Circular
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Huangshi Xingang Development”	Huangshi Xingang Development Co., Ltd.* (黃石新港開發有限公司), a limited liability company incorporated in the PRC, holding 12% of the equity interest in Yangxin Hongsheng
“Hubei Edong Industrial Investment”	Hubei Edong Industrial Investment Group Co., Ltd.* (湖北鄂東產業投資集團有限公司), a limited liability company established in the PRC, holding 12% of the equity interest in Yangxin Hongsheng
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Parent Company”	Daye Nonferrous Metals Group Holdings Company Limited* (大冶有色金屬集團控股有限公司), a limited liability company incorporated in the PRC and a controlling Shareholder
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Revised Annual Caps”	the revised annual caps amount in respect of certain services the Group will provide to Yangxin Hongsheng under the Yangxin Hongsheng Services Framework Agreement for the three financial years ending 31 December 2028
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	share(s) of the Company
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Yangxin Hongsheng
Services Framework
Agreement”

the services framework agreement dated 6 November 2025 entered into between the Company and Yangxin Hongsheng, the details of which are set out in the Continuing Connected Transactions Announcements, and the revised terms of which are set out in the section headed “Revision of Terms and Annual Caps for Continuing Connected Transactions – Yangxin Hongsheng Services Framework Agreement – Pricing Policy” in this announcement

“Yangxin Hongsheng”

Yangxin Hongsheng Copper Industry Company Limited (陽新弘盛銅業有限公司), a non-wholly owned subsidiary of the Company

“%”

per cent

By order of the Board
China Daye Non-Ferrous Metals Mining Limited
Xiao Shuxin
Chairman

Hong Kong, 2 September 2026

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Xiao Shuxin, Mr. Li Haibo and Mr. Liu Yibin; and three independent non-executive directors, namely Ms. Liu Fang, Mr. Wang Qihong and Mr. Kong Hua.

* *For identification purpose only*