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.

*This announcement and the listing document referred to herein have been published for information purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and do not constitute an offer to sell nor a solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the listing document) forms the basis for any contract or commitment whatsoever. For the avoidance of doubt, the publication of this announcement and the listing document referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the Issuer (as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.*

*This announcement is not an offer of securities of the Issuer for sale, or the solicitation of an offer to buy securities of the Issuer, in the United States. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws of the United States, and may not be offered or sold within the United States except pursuant to an exemption under, or in a transaction not subject to, the Securities Act. This announcement and the information contained herein are not for distribution, directly or indirectly, in or into the United States. No public offer of the securities referred to herein is being or will be made in the United States.*

***Notice to Hong Kong investors:** The Issuer confirms that the Bonds (as defined below) are intended for purchase by professional investors (as defined in the Listing Rules) only and are listed on The Stock Exchange of Hong Kong Limited on that basis. Accordingly, the Issuer confirms that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.*

PUBLICATION OF THE OFFERING CIRCULAR

China Nonferrous Mining Corporation Limited
中國有色礦業有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 01258)

(the "**Issuer**")

U.S.$300,000,000 ZERO COUPON CONVERTIBLE BONDS DUE 2031

(Stock Code: 40680)

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") (the "**Listing Rules**"). Reference is made to the notice of listing of the Bonds on the Hong Kong Stock Exchange dated 2 September 2026 published by the Issuer.

Please refer to the offering circular dated 28 August 2026 (the "**Offering Circular**") appended hereto in relation to the U.S.$300,000,000 zero coupon convertible bonds due 2031 (the "**Bonds**"). As disclosed in the Offering Circular, the Bonds are intended for purchase by professional investors (as defined in Chapter 37 of the Listing Rules) only and have been listed on the Hong Kong Stock Exchange on that basis.

The Offering Circular does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it circulated to invite offers by the public to subscribe for or purchase any securities. The Offering Circular must not be regarded as an inducement to subscribe for or purchase any securities of the Issuer, and no such inducement is intended.

Hong Kong, 3 September 2026

As at the date of this announcement, the Board of Directors comprises Mr. Bo XIAO as an executive Director; Ms. Yani GONG and Mr. Zhijiang CHEN as non-executive Directors; and Mr. Huanfei GUAN, Mr. Guangfu GAO and Mr. Yufeng SUN as independent non executive Directors.

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached preliminary offering circular (the "**Offering Circular**"). You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached Offering Circular. In accessing the attached Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from China Nonferrous Mining Corporation Limited (中國有色礦業有限公司) (the "**Issuer**" or the "**Company**") as a result of such access.

The communication of the attached Offering Circular and any other document or materials relating to the issue of the Bonds (as defined in the attached Offering Circular) offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, the Bonds offered hereby are only available to, and any investment or investment activity to which the attached Offering Circular relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on the attached Offering Circular or any of its contents.

PRIIPs REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK CCI REGULATIONS – PROHIBITION OF SALES TO UK RETAIL INVESTORS: The Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"). Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

Confirmation of Your Representation: The attached Offering Circular is being sent to you at your request and by accepting the e-mail and accessing the attached Offering Circular, you shall be deemed to represent to China International Capital Corporation (the "**Sole Lead Manager**") that (1) you and any customers you represent are not U.S. persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")), (2) that the e-mail address that you gave the Company and to which this e-mail has been delivered is not located in the United States, its territories or possessions, (3) that you consent to delivery of the attached Offering Circular and any amendments or supplements thereto by electronic transmission, (4) you (and any nominee and any person on whose behalf you are subscribing for the securities to which the attached Offering Circular relates) are not a "connected person" (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) of the Issuer, which includes but is not limited to any director, chief executive or substantial shareholder of the Issuer or any of its subsidiaries or any associate of any of them within the meaning of the Listing Rules; and (5) you (and any nominee and any person on whose behalf you are subscribing for the securities to which the attached Offering Circular relates) are, and will immediately after completion of the offering of such securities be, independent of and not acting in concert with, any of such connected persons in relation to the control of the Issuer.

The attached Offering Circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently neither the Sole Lead Manager, the Trustee (as defined in the attached Offering Circular) nor the Agents (as defined in the attached Offering Circular) or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them, accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. The Sole Lead Manager will provide a hard copy version to you upon request.

Restrictions: The attached Offering Circular is in preliminary form and is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. You are reminded that the information in the attached Offering Circular is not complete and may be changed.

THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the Issuer or the Sole Lead Manager to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Sole Lead Manager or its affiliates is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Sole Lead Manager or such affiliate on behalf of the Issuer in such jurisdiction.

You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession the attached Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached.

Actions that You May Not Take: If you receive this document by e-mail, you should not reply by e-mail to this transmission, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED TO AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING CIRCULAR, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING CIRCULAR IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

China Nonferrous Mining Corporation Limited
中國有色礦業有限公司

(*incorporated in Hong Kong with limited liability*)

(Stock code: 1258)

U.S.$300,000,000 Zero Coupon Convertible Bonds due 2031
Issue Price: 100.50 per cent.

The U.S.$300,000,000 in aggregate principal amount of zero coupon convertible bonds due 2031 (the "**Bonds**", which term shall include, unless the context requires otherwise, any further bonds issued pursuant to the terms and conditions of the Bonds (the "**Conditions**", and any reference in this Offering Circular to a particular numbered "**Condition**" is to the correspondingly numbered condition of the Conditions)) will be issued by China Nonferrous Mining Corporation Limited (中國有色礦業有限公司) (the "**Issuer**" or the "**Company**").

The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*) of the Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4(a) (*Negative Pledge*) of the Conditions, at all times rank at least equally with all of the Issuer's other present and future direct, unconditional, unsubordinated and unsecured obligations.

The Bonds will be zero coupon and will not bear interest unless, upon due presentation thereof, payment of any amount due is improperly withheld or refused.

Subject as provided in the Conditions, the Bondholders will have the right to convert their Bonds into Shares (as defined in Condition 6(a)(v) (*Meaning of "Shares"*) of the Conditions) at any time during the Conversion Period (as defined in the Conditions). Subject to and upon compliance with the provisions of Condition 6 (*Conversion*) of the Conditions, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to any applicable fiscal or other laws or regulations and as hereinafter provided) on or after the 41st day after the Issue Date (as defined in the Conditions) up to the close of business (at the place where the Certificate representing such Bond is deposited for conversion) on the 10th day prior to the Maturity Date (as defined in Condition 8(a) (*Maturity*) of the Conditions) (both days inclusive) (but, except as provided in Condition 6(a)(iv) (*Revival and/or survival after Default*) and Condition 10 (*Events of Default*) of the Conditions, in no event thereafter) or, if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than 15 days (both days inclusive and in the place aforesaid) prior to the date fixed for redemption thereof or, if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(d) (*Redemption at the Option of the Bondholders*) or Condition 8(e) (*Redemption for the Relevant Event*) of the Conditions, then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice (the "**Conversion Period**"). The price at which Shares will be issued upon conversion (the "**Conversion Price**") will initially be HK$22.18 per Share, but will be subject to adjustment in the manner provided in Condition 6(c) (*Adjustments to Conversion Price*) and/or Condition 6(e) (*Adjustment upon Change of Control*) of the Conditions.

Unless previously redeemed or purchased and cancelled or unless the Conversion Right in respect of such Bond has been exercised as provided in the Conditions, the Bonds will be redeemed on 2 September 2031 (the "**Maturity Date**") at their principal amount. The Issuer may, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice will be irrevocable) and in writing to the Trustee (as defined in the Conditions) and the Principal Agent (as defined in the Conditions), at any time prior to the Maturity Date redeem in whole, but not in part, the Bonds for the time being outstanding at their principal amount provided that prior to the date of such notice at least 90 per cent. in principal amount of the Bonds issued (which shall for this purpose include any further Bonds issued pursuant to Condition 15 *(Further Issues)*) has already been redeemed or purchased and cancelled or in respect of which Conversion Rights have been exercised. The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Agent, on the date specified in the Tax Redemption Notice (as defined in the Conditions) at their principal amount, if (i) the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Conditions) as a result of any change in, or amendment to, the laws or regulations of Hong Kong, the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 26 August 2026 and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice (as defined in the Conditions) shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. The Issuer will, at the option of the holder of any Bond, redeem all or some only of such holder's Bonds on 2 September 2029 (the "**Put Option Date**") at their principal amount. The holder of each Bond will have the right, at such holder's option, to require the Issuer to redeem all or some only of such holder's Bonds on the Relevant Event Redemption Date (as defined in the Conditions) at their principal amount following the occurrence of a Change of Control (as defined in the Conditions), a public float event (as defined in the Conditions) or in the event the Shares cease to be listed or admitted to trading or are suspended for trading for a period equal to or exceeding 30 consecutive Trading Days (as defined in the Conditions) on the Hong Kong Stock Exchange (as defined below) or if applicable, the Alternative Stock Exchange. See "*Terms and Conditions of the Bonds – Redemption, Purchase and Cancellation*".

The Issuer has completed the pre-issuance registration (the "**Pre-Issuance Registration**") of the issuance of the Bonds with the National Development and Reform Commission of the PRC (the "**NDRC**") in accordance with the Administrative Measures for the Review and Registration of Medium- and Long- Term Foreign Debt of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) (the "**Order 56**") issued by the NDRC and effective from 10 February 2023. The Issuer's controlling shareholder, China Nonferrous Metal Mining (Group) Co., Ltd., has registered the Bonds with the NDRC and has received the Certificate of Review and Registration of Enterprise Borrowing of Foreign Debts (企業借用外債審核登記證明) (發改辦外債[2026] 212號) dated 25 May 2026 (the "**NDRC Certificate**") from the NDRC with respect to the Pre-Issuance Registration, which as at the date of this Offering Circular, remains valid and in full force and effect. The Issuer will be required to file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds within the relevant prescribed timeframes after the Issue Date in accordance with the Order 56 and any implementation rules, regulations, certificates, circulars, notices or policies in connection therewith as issued by the NDRC from time to time, including but not limited to, the filing with the NDRC the offering information and the issue details of the Bonds within ten Registration Business Days (as defined in the Conditions) after the Issue Date, and comply with all applicable PRC laws and regulations (including laws and regulations as issued by the NDRC from time to time) in connection therewith.

So long as any Bond remains outstanding, the Issuer undertakes to file or cause to be filed with the China Securities Regulatory Commission of the PRC (the "**CSRC**") within the relevant prescribed timeframes after the Issue Date the requisite information and documents in respect of the Bonds and comply with the continuing obligations in accordance with the CSRC Filing Rules (as defined in the Conditions) and any implementation rules, reports, certificates, approvals or guidelines as issued by the CSRC from time to time. The Issuer shall file or cause to be filed the CSRC Filing Report (as defined in the Conditions) and other requisite information and documents in respect of the Bonds that are required to be filed with the CSRC within three Registration Business Days after the Issue Date in accordance with the CSRC Filing Rules (the "**Initial CSRC Post-Issuance Filing**").

Application will be made to the Hong Kong Stock Exchange for (i) the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (the "**Listing Rules**") (the "**Professional Investors**") only; and (ii) the listing of, and permission to deal in, the Shares issuable on conversion of the Bonds, and such permissions are expected to become effective on 3 September 2026 and when such Shares are issued, respectively. The Offering Circular is for distribution to Professional Investors only.

NOTICE TO HONG KONG INVESTORS – The Issuer confirms that the Bonds are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer confirms that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Bonds on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Bonds or the Shares or the Issuer or the Issuer and its subsidiaries (the "Group") or the quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, 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 Offering Circular.

Investors should be aware that the Bonds, subject to the Conditions, will be unsecured obligations of the Issuer, that there are risks attached to exercise of conversion rights attaching to the Bonds, and that there are various other risks relating to the Bonds and the Group, their business and their jurisdictions of operations which investors should familiarise themselves with before making an investment in the Bonds.

Investing in the Bonds and the Shares involves certain risks. See the section headed "*Risk Factors*" in this Offering Circular for a discussion of certain factors to be considered in connection with the investment in the Bonds and the Shares.

The Bonds and the Shares to be issued upon conversion of the Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold within the United States.

For a description of these and certain further restrictions on offers and sales of the Bonds and the Shares to be issued upon conversion of the Bonds and the distribution of this Offering Circular, see "*Subscription and Sale*".

The Bonds will be represented by beneficial interests in a global certificate (the "**Global Certificate**") in registered form, which will be registered in the name of a nominee of, and shall be deposited on or about the Issue Date with, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, certificates for Bonds will not be issued in exchange for interests in the Global Certificate.

The Bonds are not intended to be initially placed and may not be initially placed to "connected persons" of the Issuer as defined in the Listing Rules ("**Connected Persons**"). Each holder of the Bonds (and the beneficial owners of the Bonds, if applicable) will be deemed to have represented to the Sole Lead Manager (as defined below) and the Issuer that it is not a Connected Person of the Issuer and will not after completion of the subscription of the Bonds be a Connected Person of the Issuer.

Sole Global Coordinator, Sole Lead Manager and Sole Bookrunner

China International Capital Corporation

Financial Adviser and Co-Manager

Admiralty Harbour Capital Limited

The date of this Offering Circular is 28 August 2026

NOTICE TO INVESTORS

This Offering Circular does not constitute an offer to sell to, or a solicitation of an offer to buy from, any person in any jurisdiction to whom it is unlawful to make the offer or solicitation in such jurisdiction. Neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the Group's affairs since the date of this Offering Circular or that the information contained in this Offering Circular is correct as at any time after that date.

The communication of the attached Offering Circular and any other document or materials relating to the issue of the Bonds (as defined in the attached Offering Circular) offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, the Bonds offered hereby are only available to, and any investment or investment activity to which the attached Offering Circular relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on the attached Offering Circular or any of its contents.

PRIIPs REGULATION — PROHIBITION OF SALES TO EEA RETAIL INVESTORS — The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK CCI REGULATIONS — PROHIBITION OF SALES TO UK RETAIL INVESTORS: The Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"). Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

The Issuer, having made all reasonable enquiries, confirms that (i) this Offering Circular (including any supplements thereto) contains all information with respect to the Issuer and its subsidiaries (collectively, the "**Group**"), the Shares and the Bonds which is material in the context of the issue and offering of the Bonds and the issue of the New Shares upon the conversion of the Bonds (including all information which, according to the particular nature of the Issuer or the Group and of the Bonds is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the Group and of the rights attaching to the Bonds and the Shares), (ii) this Offering Circular does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, (iii) the statements contained in this Offering Circular are in every material particular true and accurate and not misleading in any material respect, (iv) there are no other facts in relation to the Issuer, the Group, the Shares and the Bonds the omission of which would in the context of the issue of the Bonds make any statement in this Offering Circular misleading, (v) all statistical, industry and market-related data included in this Offering Circular are derived from sources which the Issuer believes to be accurate and reliable in all material respects, (vi) the statements of intention, opinion, belief or expectation contained in this Offering Circular are honestly and reasonably made or held and have been reached after considering all relevant circumstances and are based on reasonable assumptions, (vii) all descriptions of contracts or other material documents described in this Offering Circular are accurate descriptions in all material respects and fairly summarise the contents of such contracts or documents, and (viii) all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such statements contained herein.

This document includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Issuer and the Group. The Issuer accepts full responsibility for the accuracy of the information contained in this document and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. This Offering Circular has been prepared by the Issuer solely for use in connection with the proposed offering of the Bonds described in this Offering Circular. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Sole Lead Manager to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds or the distribution of this Offering Circular in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the circulation of documents relating thereto, in certain jurisdictions including the United States, the United Kingdom, the European Economic Area, Hong Kong, the PRC, Singapore and Japan, and to persons connected therewith. For a description of certain further restrictions on offers, sales and re-sales of the Bonds and distribution of this Offering Circular, see "*Subscription and Sale*".

No person has been or is authorised to give any information or to make any representation concerning the Issuer, the Group, the Bonds or the Shares other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Sole Lead Manager, the Trustee or the Agents (as defined in the Conditions) or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Group or any of them since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Sole Lead Manager, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them to subscribe for or purchase any of the Bonds or Shares and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

No representation or warranty, express or implied, is made or given by the Sole Lead Manager, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular, and nothing contained in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by the Sole Lead Manager, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them. This Offering Circular is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by any of the Issuer, the Sole Lead Manager, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them that any recipient of this Offering Circular should purchase the Bonds. Each potential purchaser of the Bonds should determine for itself the relevance of the information contained in this Offering Circular and its purchase of the Bonds should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

In making an investment decision, investors must rely on their own examination of the Issuer and other members of the Group and the terms of the offering, including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Bonds.

Each person receiving this Offering Circular acknowledges that such person has not relied on the Sole Lead Manager, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision.

Market data and certain industry forecasts used throughout this Offering Circular have been obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the Sole Lead Manager, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them makes any representation as to the accuracy of that information.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to Prospective Investors: Prospective investors should be aware that certain intermediaries in the context of this offering of the Bonds, including the Sole Lead Manager, are "capital market intermediaries" (together, the "**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMI, which require the attention and cooperation of prospective investors. The Sole Lead Manager is also acting as the sole global coordinator and overall coordinator (the "**OC**") for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Company, a CMI or its group companies would be considered under the SFC Code as having an association (an "**Association**") with the Company, the CMI or the relevant group company. Prospective investors associated with the Company or any CMI (including its group companies) should specifically disclose this when placing an order for the Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Lead Manager or its group company has more than 50 per cent. interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any Joint Lead Manager, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Joint Lead Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Sole Lead Manager and/or any other third parties as may be required by the SFC Code, including to the Company, the OC, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

INCORPORATION BY REFERENCE

The following documents filed with and published on the Hong Kong Stock Exchange are deemed to be incorporated by reference into, and to form part of, this Offering Circular:

- the Company's audited consolidated financial statements as at and for the year ended 31 December 2024 (which contains the comparative financial information as at and for the year ended 31 December 2023), including the notes thereto, which are contained in page 98 to page 182 of the annual report of the Company as at and for the year ended 31 December 2024 (the "**2024 Financial Statements**");

- the Company's audited consolidated financial statements as at and for the financial years ended 31 December 2025 (which contains the comparative financial information as at and for the year ended 31 December 2024), including the notes thereto, which are contained in page 105 to page 190 of the annual report of the Company as at and for the year ended 31 December 2025 (the "**2025 Financial Statements**", and together with the 2024 Financial Statements, the "**Audited Financial Statements**");

- the Company's unaudited interim condensed consolidated financial information as at and for the six months ended 30 June 2026 (which contains the comparative financial information (i) for the six months ended 30 June 2025 and (ii) as at 31 December 2025), including the notes thereto, which are contained in page 2 to page 22 of the unaudited interim results of the Company for the six months ended 30 June 2026 (the "**2026 Interim Financial Information**"); and

- the auditor's reports in respect of such Audited Financial Statements, which have been audited by KPMG in accordance with the Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

  the auditor's reports are contained in page 92 to page 97 and page 99 to page 104 of the annual report of the Company as at and for the years ended 31 December 2024 and 2025, respectively.

Each document incorporated herein by reference is current only as at the date of such document, and the incorporation by reference of such documents shall not create any implication that there has been no change in the affairs of the Issuer and the Group, as the case may be, since the date thereof or that the information contained therein is current as at any time subsequent to its date. Any statement contained therein shall be deemed to be modified or superseded for the purposes of this Offering Circular to the extent that a subsequent statement contained in another incorporated document herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

The making of a modifying or superseding statement is not to be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

The documents incorporated herein by reference are available electronically through the internet on the website of The Stock Exchange of Hong Kong Limited at https://www.hkexnews.hk.

Prospective investors are advised to obtain and read the documents incorporated by reference herein before making their investment decision.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATIONS

This Offering Circular has been prepared using a number of conventions, which investors should consider when reading the information contained herein.

The terms the "**Group**", "**we**", "**us**", "**our**" and words of similar import are referring to the Company and its subsidiaries or any of them, or where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, the present subsidiaries of the Company.

Market data and certain industry forecasts and statistics in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Group believes this information to be reliable, it has not been independently verified by the Group, the Sole Lead Manager, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents and advisers or any person who controls any of them, and neither the Group nor the Sole Lead Manager, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls it or any of them makes any representation as to the accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. Due to possibly inconsistent collection method and other problems, such statistics herein may be inaccurate. Investors should not unduly rely on such market data, industry forecast and the PRC and industry statistics.

In this Offering Circular, references to "**HK$**" and "**Hong Kong dollars**" are to Hong Kong dollars, the official currency of the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**" or "**HK**"); and references to "**U.S.$**" and "**U.S. dollars**" are to United States dollars, the official currency of the United States of America (the "**United States**" or "**U.S.**").

References to the "**PRC**" and "**China**", in the context of statistical information and description of laws and regulations in this Offering Circular, except where the context otherwise requires, means the People's Republic of China but does not include Hong Kong, Macau Special Administrative Region of the People's Republic of China or Taiwan. "**PRC government**" means the central government of the People's Republic of China, together with all political subdivisions (including provincial, municipal and other regional or local governments) and instrumentalities thereof, or, where the context requires, any of them.

Unless the context otherwise requires, references to "**2023**", "**2024**" and "**2025**" in this Offering Circular are to the Group's financial years ended 31 December 2023, 2024 and 2025, respectively.

References to "**Articles of Association**" or "**Articles**" are to the articles of association of the Company that were adopted on 27 April 2012, as amended or supplemented from time to time.

References to the "**Board of Directors**" or "**Board**" are to the Company's board of directors.

References to "**CCS**" are to Chambishi Copper Smelter Limited (謙比希銅冶煉有限公司*), a company incorporated in Zambia on 19 July 2006 and a subsidiary of the Company.

References to "**CNMC**" are to China Nonferrous Metal Mining (Group) Co., Ltd*(中國有色礦業集團有限公司), a state-owned enterprise incorporated under the laws of the PRC in 1997 with operating history dating back to 1983, directly administered by SASAC, and the ultimate controlling shareholder of the Company.

References to "**CNMC Finance**" are to Nonferrous Metal Mining Group Finance Co., Ltd.* (有色礦業集團財務有限公司), a financial institution established under the laws of the PRC and the approval of the China Banking and Insurance Regulatory Commission, and a subsidiary of CNMC.

References to "**CNMC Huachin Mabende**" are to CNMC Huachin Mabende Mining SA (中色華鑫馬本德礦業股份有限公司*) (formerly known as "NMC Mabende SPRL" (中色馬本德礦業有限公司*)), a joint venture established in the DRC on 9 November 2012 by SML and Huachin SPRL, an associate of the Group.

References to "**Chambishi Leach Plant**" are to the copper leaching plant located in the Copperbelt province in Zambia held by SML and where SML undertakes its leaching operations.

References to "**CNMH**" are to China Nonferrous Mining Holdings Limited (中色礦業控股有限公司*), an investment holding company incorporated under the laws of the Republic of Ireland on 23 September 2011 and a wholly-owned subsidiary of the Company.

References to "**CNMHK**" are to China Nonferrous Mining Hong Kong Holdings Limited (中色礦業香港控股有限公司), an investment holding company incorporated in Hong Kong on 6 October 2015 with limited liability under the Companies Ordinance, a directly subsidiary of the Company.

References to "**NMHKI**" are to China Nonferrous Mining Hong Kong Investment Limited (中色礦業香港投資有限公司), an investment holding company incorporated in Hong Kong on 2 December 2016 with limited liability under the Companies Ordinance, a directly subsidiary of the Company.

References to "**CNMD**" are to China Nonferrous Mining Development Limited (中色礦業發展有限公司), an investment holding company incorporated under the laws of the BVI on 12 July 2011, a wholly-owned subsidiary of CNMC and the controlling shareholder of the Company.

References to "**Companies Ordinance**" are to the Companies Ordinance of Hong Kong (Chapter 622 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time.

References to "**connected person**" and "**controlling shareholder**" each has the meaning ascribed to it in the Listing Rules (as defined below).

References to "**DRC**" are to the Democratic Republic of the Congo.

References to "**Huachin Leach**" are to Huachin Metal Leach SA (中色華鑫濕法冶煉股份有限公司*), a company incorporated under the laws of the DRC on 17 December 2010 and a subsidiary of SML.

References to "**Kambove Mining**" are to Kambove Mining SAS (剛波夫礦業簡易股份有限公司*), a company established in the DRC and a subsidiary of the Company.

References to the "**Hong Kong Stock Exchange**" in this Offering Circular are to The Stock Exchange of Hong Kong Limited.

References to "**Listing Rules**" in this Offering Circular are to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended.

References to "**Lualaba Copper Smelter**" are to Lualaba Copper Smelter SAS (盧阿拉巴銅冶煉股份有限公司*), a company established in DRC and a subsidiary of the Company.

References to "**Luanshya**" are to CNMC Luanshya Copper Mines PLC (中色盧安夏銅業有限公司*), formerly Luanshya Copper Mines PLC, a company incorporated in Zambia on 10 July 2003 and a subsidiary of the Company.

References to "**Offering**" are to the offering of the Bonds.

References to "**Muliashi Project**" are to an integrated project involving the mining and leaching of copper oxide ores undertaken by Luanshya, including the Muliashi North Mine, the Muliashi Leach Plant and the planned Baluba East Mine.

References to "**NFCA**" are to NFC Africa Mining PLC (中色非洲礦業有限公司*), a company incorporated in Zambia on 5 March 1998, and a subsidiary of the Company.

References to "**Renminbi**" or "**RMB**" are to Renminbi yuan, the lawful currency for the time being of the PRC.

References to "**Shareholder(s)**" are to holder(s) of Shares.

References to "**SML Minerals**" are to SML Minerals Ltd. located in Kazakhstan.

References to "**SML**" are to Sino-Metals Leach Zambia Limited (贊比亞謙比希濕法冶煉有限公司*), a company incorporated under the laws of Zambia on 3 December 2004 and a subsidiary of the Company.

References to "**United States**" are to the United States of America, its territories, its possessions and all areas subject to its jurisdiction.

References to "**US¢**" or "**US cent(s)**" are to United States cents, the lawful currency for the time being of the United States.

References to "**US$**", "**USD**" or "**US dollar(s)**" are to United States dollars, the lawful currency for the time being of the United States.

References to "**VAT**" are to value-added tax; all amounts are exclusive of VAT in this Offering Circular unless indicated otherwise.

References to "**Zambia**" are to the Republic of Zambia.

References to "**ZMK**" are to Zambian Kwacha, the lawful currency for the time being of Zambia.

References to "**ZCCM**" are to Zambia Consolidated Copper Mines Limited, a company incorporated in Zambia in 1982 and succeeded by ZCCM-IH.

References to "**ZCCM-IH**" are to Zambia Consolidated Copper Mines Investments Holdings Plc, the successor company to ZCCM, majority owned by the Government of Zambia.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to such rounding.

The English names of the PRC nationals, entities, departments, facilities, laws, regulations, certificates, titles and the like are translations of their Chinese names and are included for identification purposes only. In the event of any inconsistency, the Chinese name prevails.

GLOSSARY OF TECHNICAL TERMS

This glossary contains an explanation of certain technical terms used in this Offering Circular in connection with the Company and its business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

"Indicated Mineral Resource"	As defined under the JORC Code, is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.
"JORC Code"	Joint Ore Reserves Committee 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (2012 Edition)
"Measured Mineral Resource"	As defined under the JORC Code, is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.

"Inferred Mineral Resource"	As defined under the JORC Code, is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
"Mineral Resources"	As defined under the JORC Code, a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
"Ore Reserve"	As defined under the JORC Code, the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.
"Probable Ore Reserve"	As defined under the JORC Code, the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve.
"Proved Ore Reserve"	As defined under the JORC Code, the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.

FORWARD-LOOKING STATEMENTS

This Offering Circular includes "forward-looking statements." All statements other than statements of historical fact contained in this Offering Circular, including, without limitation, those regarding the Group's future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets where the Group participates or is seeking to participate, and any statements preceded by, followed by or that include the words "may," "will," "should," "could," "would," "expect," "intend," "plan," "anticipate," "going forward," "ought to," "seek," "project," "forecast," "believe," "estimate," "predict," "potential" or "continue" or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Group's control, which may cause its actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which it will operate in the future. Important factors that could cause the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- the Group's business and operating strategies;
- the Group's capital expenditure;
- the amount and nature of, and potential for, future development of the Group's business;
- the Group's operations and business prospects;
- various business opportunities that the Group may pursue;
- research and development and technological advances made or expected to be made in the Group's industry or industries relevant to the Group;
- the effects of the global financial markets and economic crisis;
- the Group's financial condition and results of operations;
- availability and costs of bank loans and other forms of financing;
- the Group's dividend policy;
- the regulatory environment of the Group's industry in general;
- changes in political, economic, legal and social conditions in Hong Kong, China, Zambia, the DRC, and Kazakhstan and other jurisdictions in which the Group operates, including the specific policies of the PRC government affecting the regions relevant to the Group;
- changes in competitive conditions and the Group's ability to compete under these conditions;

- relationship with the Group's joint venture partners;
- occurrences of catastrophes such as fires, floods, windstorms, earthquakes or other adverse weather conditions, diseases or natural disasters;
- changes in currency exchange rates; and
- other factors beyond the Group's control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*" and elsewhere in this Offering Circular. The Company cautions investors not to place undue reliance on these forward-looking statements which reflect its management's view only as at the date of this Offering Circular. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offering Circular might not occur.

TABLE OF CONTENTS

	Page
SUMMARY	1
SUMMARY OF THE OFFERING	9
SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA	14
RISK FACTORS	19
USE OF PROCEEDS	55
CAPITALISATION AND INDEBTEDNESS	56
CORPORATE STRUCTURE	57
BUSINESS	59
DIRECTORS AND MANAGEMENT	103
PRINCIPAL SHAREHOLDERS	109
RELATED PARTY TRANSACTIONS	110
TERMS AND CONDITIONS OF THE BONDS	112
SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM	155
DESCRIPTION OF THE SHARES	157
MARKET PRICE INFORMATION	164
DIVIDENDS	165
TAXATION	166
SUBSCRIPTION AND SALE	170
GENERAL INFORMATION	176

SUMMARY

Overview

The Group is a leading, fast-growing and vertically integrated international copper producer, focusing on the mining, ore-processing, leaching, smelting and sale of copper and cobalt. The Company is incorporated in Hong Kong and listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1258). Over more than two decades of dedicated operations, the Group has progressively established a comprehensive copper and cobalt industrial chain with operational headquarters and extensive operating assets strategically located in Zambia, the DRC, and Kazakhstan.

The Company's controlling shareholder is CNMC, a PRC state-owned enterprise directly administered by the SASAC, which indirectly owns approximately 66.63% of the Company's shares. The Group serves as CNMC's premier overseas platform for the development of copper and cobalt resources, benefiting from strong shareholder backing, technical expertise, and unique insights into global commodity demand.

The Group operates a diversified and expanding portfolio of operating assets, comprising multiple producing copper mines alongside various processing, leaching, and smelting facilities. The businesses of the Group are carried out mainly through the following companies: NFC Africa Mining PLC ("**NFCA**"), CNMC Luanshya Copper Mines PLC ("**Luanshya**"), Chambishi Copper Smelter Limited ("**CCS**") and SML located in Zambia, Huachin Metal Leach SA ("**Huachin Leach**"), CNMC Huachin Mabende Mining SA ("**CNMC Huachin Mabende**"), Lualaba Copper Smelter, Kambove Mining SAS ("**Kambove Mining**") located in the DRC, as well as SM Minerals Ltd. ("**SM Minerals**") located in Kazakhstan.

The Group boasts a strong resource base and a substantial workforce. As at 31 December 2025, in accordance with the JORC reporting standards, the Group's total mineral resources contained copper resources of approximately 7.1826 million tonnes, and copper metal reserves of approximately 1.6894 million tonnes. As at 30 June 2026, the Group employed a total of 9,005 employees, comprising 939 Chinese employees and 8,066 local employees in Zambia, the DRC and Kazakhstan. Furthermore, to ensure sustainable growth, the Group has additional development and expansion projects underway, including the new mine project of Luanshya, the Chambishi Southeast Mine Phase II and the Kambove Minsesa Mine.

Driven by its vertically integrated business model, the Group maintains strong production capabilities. For the year ended 31 December 2025, the Group recorded total copper output of approximately 549,600 tonnes, alongside 829 tonnes of cobalt and over 1.06 million tonnes of sulphuric acid (a key by-product). This robust operational momentum continued into the first half of 2026. For the six months ended 30 June 2026, the Group accumulatively produced 93,669 tonnes of blister copper and copper anodes, 73,723 tonnes of copper cathodes, 115 tonnes of cobalt, and 469,122 tonnes of sulphuric acid, while also providing substantial copper processing services to third-party enterprises.

Financially, the Group has maintained a stable operating performance. For the year ended 31 December 2025, the Group recorded total revenue of US$3,420.1 million and a net profit of US$583.2 million. For the six months ended 30 June 2026, the Group generated total revenue of US$2,261.1 million, and its net profit amounted to US$622.8 million, which exceeded the full-year net profit of 2025. In addition, the Group maintains a stable liquidity position, with cash and cash equivalents of US$2,016.6 million and a net cash position of approximately US$2,007.9 million as at 30 June 2026, providing capital resources for its ongoing operations and business development.

Competitive Strengths

- World-Leading Copper Producer with Substantial Resource Reserves, Backed by the Strong Support of CNMC
- Vertically Integrated Copper-Cobalt Producer with a Diversified and Resilient Business Model
- Strong Technical Capabilities, Continuous Project Development Competency, and an Abundant Project Pipeline
- Overseas Flagship of CNMC with Strong Institutional Support and a Deep Local Operational Presence
- Conservative Financial Policy with Low Leverage, Strong Cash Generation, and a Consistent Track Record of Shareholder Returns
- Experienced Management Team with Deep Full Value Chain Expertise and Strong On-the-Ground Execution
- Leading ESG Practices Fully Integrated into the Group's Sustainable Development Strategy

Strategies

- Continue to expand the Group's resource base through both organic exploration and selective counter-cyclical acquisitions
- Accelerate the development and ramp-up of key construction projects to expand production capacity
- Continue to drive cost reduction, efficiency enhancement and operational excellence across the value chain
- Leverage technological innovation and digitalisation to empower industrial transformation and upgrading
- Maintain a prudent and conservative financial policy and continue to deliver attractive shareholder returns
- Further strengthen the Group's ESG framework and deepen integration with host countries and local communities
- Strengthen compliance, risk control and overseas operation management

Recent Developments

Acquisition of the Benkala Copper Project in Kazakhstan

In 2025, the Group entered into an agreement to acquire a cumulative 70% equity interest in the Benkala copper project in Kazakhstan. The acquisition marks the Group's strategic material expansion of its resource footprint into Central Asia and is expected to lay a solid foundation for long-term stable and increased copper production by the Group. The acquisition and the closing of the 70% equity interest in the project have been successfully completed during the first half of 2026.

Unaudited Interim Results for the Six Months Ended 30 June 2026

On 21 August 2026, the Company published its interim results as at and for the six months ended 30 June 2026 on the website of the Hong Kong Stock Exchange at: https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0821/2026082102069.pdf (the "**2026 Interim Results Announcement**"), including the 2026 Interim Financial Information. Potential investors should exercise caution when using such data to evaluate the Group's financial condition and results of operations. The 2026 Interim Financial Information has not been subject to an audit by any independent auditor and does not provide the same quality of information as that which has been subject to an audit. In addition, the 2026 Interim Financial Information should not be taken as an indication of the expected financial condition or results of operations of the Group for the full financial year ending 31 December 2026.

For the six months ended 30 June 2026, the Group recorded revenue of US$2,261.1 million, representing an increase of 29.1% from US$1,751.5 million for the corresponding period in 2025. Gross profit increased by 68.1% to US$958.7 million, and gross profit margin increased from 32.6% to 42.4%. Net profit amounted to US$622.8 million, and profit attributable to owners of the Company increased by 64.7% to US$433.6 million. The improvement was primarily attributable to increases in international copper prices and the sales price of sulphuric acid, with the increase in the unit selling prices of copper products and sulphuric acid exceeding the increase in their unit costs of sales.

As at 30 June 2026, the Group had cash and cash equivalents of US$2,016.6 million, compared with US$1,476.2 million as at 31 December 2025, and bank and other borrowings of US$10.6 million, compared with US$24.5 million as at 31 December 2025. Net cash generated from operating activities amounted to US$1,042.8 million for the six months ended 30 June 2026, compared with US$525.9 million for the corresponding period in 2025.

On 21 August 2026, the Board declared an interim dividend of US¢1.1113 per Share for the six months ended 30 June 2026. The interim dividend is expected to be paid in Hong Kong dollars at HK$0.087154 per Share on 17 September 2026 to Shareholders whose names appear on the register of members of the Company on 7 September 2026. The proposed Interim Dividend will be paid on 17 September 2026.

Below are the relevant financial information as at and for the six months ended 30 June 2026 derived from the 2026 Interim Financial Information.

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	**2025**
	US$'000 (Unaudited)	*US$'000* (Unaudited)
Revenue	**2,261,086**	**1,751,533**
Cost of sales	(1,302,363)	(1,181,266)
Gross profit	**958,723**	**570,267**
Other income	28,319	21,427
Other gains and losses	71,969	48,687
Distribution and selling expenses	(6,187)	(4,512)
Administrative expenses	(150,795)	(96,064)
Other expenses	(5,085)	(6,075)
Profit from operations	**896,944**	**533,730**
Finance costs	(5,036)	(1,225)
Profit before taxation	**891,908**	**532,505**
Income tax	(269,108)	(161,179)
Profit for the period	**622,800**	**371,326**
Attributable to:		
Owners of the Company	433,641	263,328
Non-controlling interests	189,159	107,998
	622,800	371,326
Earnings per share		
– Basic and diluted (US¢ per share)	11.11	6.75
– Basic and diluted (equivalent to approximately HK$ per share)	0.87	0.53

	Six months ended 30 June	
	2026	**2025**
	US$'000 (Unaudited)	*US$'000* (Unaudited)
Profit for the period	**622,800**	**371,326**
Other comprehensive income for the period (after tax and reclassification adjustments):		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	(326)	–
Total comprehensive income for the period	**622,474**	**371,326**
Attributable to:		
Owners of the Company	433,413	263,328
Non-controlling interests	189,061	107,998
	622,474	371,326

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 30 June 2026	At 31 December 2025
	US$'000 (Unaudited)	*US$'000* (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	1,569,754	1,585,509
Right-of-use assets	75,582	65,750
Mining rights	220,241	81,178
Other equity investments	–	16,764
Restricted bank balances	1,505	1,505
Deferred tax assets	30,985	28,733
Prepayments and other receivables	186,755	158,566
	2,084,822	1,938,005
Current Assets		
Inventories	661,563	737,092
Trade receivables at amortised cost	65,356	64,894
Trade receivables at fair value through profit or loss ("**FVTPL**")	342,970	270,027
Prepayments and other receivables	580,818	315,292
Financial assets	73	–
Restricted bank balances	1,896	1,739
Cash and cash equivalents	2,016,562	1,476,212
	3,669,238	2,865,256
Total Assets	**5,754,060**	**4,803,261**

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 30 June 2026 *US$'000* (Unaudited)	At 31 December 2025 *US$'000* (Audited)
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	864,199	864,199
Reserves	1,893,499	1,621,810
Equity attributable to owners of the Company	2,757,698	2,486,009
Non-controlling interests	1,115,649	926,561
Total Equity	**3,873,347**	**3,412,570**
Non-current Liabilities		
Deferred tax liabilities	193,717	183,349
Lease liabilities	63,811	56,902
Provision for restoration, rehabilitation and environmental costs	113,245	111,243
Deferred income	9,509	10,054
	380,282	361,548
Current Liabilities		
Trade payables at amortised cost	238,745	242,784
Trade payables at FVTPL	299,807	242,595
Other payables and accrued expenses	521,849	266,498
Income tax payable	362,358	196,254
Bank and other borrowings	10,565	24,516
Lease liabilities	12,002	8,931
Contract liabilities	40,155	10,213
Financial liabilities	14,950	37,352
	1,500,431	1,029,143
Total Liabilities	**1,880,713**	**1,390,691**
Total Equity and Liabilities	**5,754,060**	**4,803,261**

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Six months ended 30 June	
	2026	**2025**
	US$'000 (Unaudited)	*US$'000* (Unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**1,042,842**	**525,901**
NET CASH USED IN INVESTING ACTIVITIES	**(450,635)**	**(151,195)**
NET CASH USED IN FINANCING ACTIVITIES	**(57,117)**	**(42,099)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**535,090**	**332,607**
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**1,476,212**	**1,018,662**
Effect of foreign exchange rate changes	5,260	2,164
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**2,016,562**	**1,353,433**

SUMMARY OF THE OFFERING

The following summary does not purport to be complete and should be read in conjunction with the Conditions. It does not contain all the information that is important to investors. For a more complete description of the Bonds, please refer to "Terms and Conditions of the Bonds". Terms used in this summary and not otherwise defined shall have the meanings given to them in the Conditions.

Issuer	China Nonferrous Mining Corporation Limited (中國有色礦業有限公司) (the "**Company**").
Issue	U.S.$300,000,000 in aggregate principal amount of zero coupon convertible bonds due 2031.
Issue Price	100.50 per cent. of the principal amount of the Bonds.
Issue Date	2 September 2026.
Maturity Date	2 September 2031.
Form and Denomination	The Bonds will be issued in registered form in the specified denomination of U.S.$200,000 each and integral multiples of U.S.$200,000 in excess thereof.
Interest	The Bonds will be zero coupon and will not bear interest, unless, upon due presentation thereof, payment of the full amount due is improperly withheld or refused.
Status of the Bonds	The Bonds will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4(a) (*Negative Pledge*) of the Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4(a) (*Negative Pledge*) of the Conditions, at all times rank at least equally with all of its other present and future direct, unconditional, unsubordinated and unsecured obligations.
Negative Pledge	So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not, and the Issuer shall procure that none of its Subsidiaries will, create, permit to subsist or arise or have outstanding, any Encumbrance upon the whole or any part of their respective present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto the Bonds are secured equally and rateably (i) therewith or by the same Encumbrance or (ii) by such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed).

Conversion Right	Subject to and upon compliance with the provisions of Condition 6 (Conversion) of the Conditions, each Bond shall entitle the holder thereof to convert such Bond into fully-paid ordinary shares of the Company (the "**Shares**") at any time during the Conversion Period at the Conversion Price (subject to adjustment as described in the Conditions). The right of a Bondholder to convert any Bond into Shares is called the "Conversion Right". See "*Terms and Conditions of the Bonds — Conversion — Conversion Right*".
Conversion Period	At any time on or after the 41st day after the Issue Date up to the close of business on the 10th day prior to the Maturity Date (both days inclusive), or if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to the close of business on a date no later than 15 days (both days inclusive) prior to the date fixed for redemption thereof, or if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(d) (*Redemption at the Option of the Bondholders*) or Condition 8(e) (*Redemption for the Relevant Event*) of the Conditions, then up to the close of business on the day prior to the giving of such notice, subject to and upon compliance with the provisions of Condition 6 (*Conversion*) of the Conditions. The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Hong Kong dollars at the fixed rate of HK$7.8398 = U.S.$1.00 (the "**Fixed Exchange Rate**")) by the Conversion Price then in effect.
Conversion Price	The Conversion Price will initially be HK$22.18 per Share, and this will be subject to adjustments in the manner provided in Condition 6(c) (*Adjustments to Conversion Price*) and/or Condition 6(e) (*Adjustment upon Change of Control*) of the Conditions for, among other things, consolidation, subdivision, redesignation or reclassification, capitalisation of profits or reserves, capital distributions, rights issues of Shares or options over Shares at less than 95 per cent. of the Current Market Price per Share, rights issues of other securities, issues of Shares at less than 95 per cent. of the Current Market Price per Share, issues of other securities carrying rights of conversion, exchange or subscription for Shares at less than 95 per cent. of the Current Market Price per Share, modification of rights of conversion, exchange or subscription for Shares to less than 95 per cent. of the Current Market Price per Share, other offers to shareholders and certain other dilutive events. See "*Terms and Conditions of the Bonds — Conversion — Adjustments to Conversion Price*".

Adjustment upon Change of Control	If a Change of Control shall have occurred, the Issuer shall give notice (the "**Change of Control Notice**") of that fact to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 16 (*Notices*) of the Conditions within 14 days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within the period of 30 days following the later of (i) the relevant Change of Control and (ii) the date on which the Change of Control Notice is given to Bondholders (such period, the "**Change of Control Conversion Period**"), the Conversion Price shall be adjusted in accordance with the following formula: $$NCP = \frac{OCP}{1 + (CP \times c/t)}$$ where: "**c**" means the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date; "**CP**" means 29.00 per cent. expressed as a fraction; "**NCP**" means the new Conversion Price; "**OCP**" means the Conversion Price in effect on the relevant Conversion Date; "**t**" means the number of days from and including the Issue Date to but excluding the Maturity Date, provided that the Conversion Price shall not be reduced pursuant to this adjustment event below the level permitted by applicable laws and regulations from time to time (if any). See "*Terms and Conditions of the Bonds — Conversion — Adjustment upon Change of Control*".
Final Redemption	Unless previously redeemed or purchased and cancelled or unless the Conversion Right in respect of such Bond has been exercised in the circumstances referred to in the Conditions, the Issuer will redeem each Bond at its principal amount on the Maturity Date.

Redemption for Taxation Reasons	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable) and in writing to the Trustee and the Principal Agent, on the date specified in the Tax Redemption Notice for redemption (the "**Tax Redemption Date**") at their principal amount, if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer has or will become obliged to pay Additional Tax Amounts as a result of any change in, or amendment to, the laws or regulations of Hong Kong, the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 26 August 2026 and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. See "*Terms and Conditions of the Bonds — Redemption, Purchase and Cancellation — Redemption for Taxation Reasons*".
Redemption at the Option of the Issuer	On giving not less than 30 nor more than 60 days' notice to the Bondholders in accordance with Condition 16 (*Notices*) of the Conditions (which notice will be irrevocable) and in writing to the Trustee and the Principal Agent, the Issuer may at any time prior to the Maturity Date redeem in whole, but not in part, the Bonds for the time being outstanding at their principal amount, provided that prior to the date of such notice at least 90 per cent. of the principal amount of the Bonds issued (which shall for this purpose include any further Bonds issued pursuant to Condition 15 *(Further Issues)*) has already been redeemed or purchased and cancelled or in respect of which Conversion Rights have been exercised. See "*Terms and Conditions of the Bonds — Redemption, Purchase and Cancellation — Redemption at the Option of the Issuer*".
Redemption at the Option of the Bondholders	The Issuer will, at the option of the holder of any Bond, redeem all or some only of such holder's Bonds on 2 September 2029 (the "**Put Option Date**") at their principal amount. See "*Terms and Conditions of the Bonds — Redemption, Purchase and Cancellation — Redemption at the Option of the Bondholders*".
Redemption for the Relevant Event	The holder of each Bond will have the right, at such holder's option, to require the Issuer to redeem all or some only of such holder's Bonds on the Relevant Event Redemption Date at their principal amount following the occurrence of a Change of Control or a Public Float Event, or if the Shares cease to be listed or admitted to trading, or are suspended for trading for a period equal to or exceeding 30 consecutive Trading Days, on the Hong Kong Stock Exchange or, if applicable, the Alternative Stock Exchange. See "*Terms and Conditions of the Bonds — Redemption, Purchase and Cancellation — Redemption for the Relevant Event*".

Events of Default	For a description of certain events of default that will permit the Bonds to become immediately due and repayable at their principal amount, see "*Terms and Conditions of the Bonds — Events of Default*".
Clearing Systems	The Bonds will be represented by beneficial interests in the Global Certificate, which will be registered in the name of a nominee of, and deposited on or about the Issue Date with, a common depositary for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream. Except as described in the Global Certificate, certificates for the Bonds will not be issued in exchange for beneficial interests in the Global Certificate.
Governing Law	English law.
Trustee	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Principal Agent	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Registrar and Transfer Agent	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Listing	Application will be made to the Hong Kong Stock Exchange for (i) the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only and (ii) the listing of, and permission to deal in, the Shares issuable on conversion of the Bonds, and it is expected that the listing of, and permission to deal in, the Bonds on the Hong Kong Stock Exchange will commence on 3 September 2026.
Use of Proceeds	See section entitled "*Use of Proceeds*".
Selling Restrictions	There are certain restrictions on the offer, sale and transfer of the Bonds and the Shares to be issued upon conversion of the Bonds in certain jurisdictions including the United States, the United Kingdom, the European Economic Area, Hong Kong, the PRC, Singapore and Japan. For a description of the restrictions on the distribution of this Offering Circular or any offering material and the issue, sale or delivery of the Bonds and the Shares issuable upon conversion of the Bonds, see "*Selling Restrictions*".
Legal Entity Identifier	529900VMGR2N3QX9OV63.
ISIN	XS3395898284.
Common Code	339589828.

SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following tables set forth the Group's summary financial information and other data as at and for the years indicated. The summary financial information as at and for the years ended 31 December 2023, 2024 and 2025 is derived from and should be read in conjunction with the Audited Financial Statements, including the notes thereto. The Audited Financial Statements have been audited by KPMG and are incorporated by reference into this Offering Circular. The Group's financial information has been prepared and presented in accordance with HKFRS Accounting Standards as issued by the HKICPA. Prospective investors should read the summary financial information below in conjunction with the Audited Financial Statement and the related notes incorporated by reference into this Offering Circular. Potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations. Historical results are not necessarily indicative of results that may be achieved in any future period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year Ended 31 December		
	2023	**2024**	**2025**
	US$'000	*US$'000*	*US$'000*
Revenue	**3,606,421**	**3,816,472**	**3,420,059**
Cost of sales	(2,728,963)	(2,767,325)	(2,357,521)
Gross profit	**877,458**	**1,049,147**	**1,062,538**
Other income	21,736	29,812	49,996
Other gains and losses	(89,629)	(81,354)	22,590
Distribution and selling expenses	(10,569)	(8,688)	(11,621)
Administrative expenses	(199,118)	(192,481)	(263,815)
Other expenses	(8,462)	(9,674)	(41,703)
Profit from operations	**591,416**	**786,762**	**817,985**
Finance costs	(32,796)	(11,346)	(5,111)
Profit before taxation	**558,620**	**775,416**	**812,874**
Income tax	(177,177)	(217,940)	(229,662)
Profit and total comprehensive income for the year	**381,443**	**557,476**	**583,212**
Profit and total comprehensive income attributable to:			
Owners of the Company	277,645	398,500	404,311
Non-controlling interests	103,798	158,976	178,901
	381,443	557,476	583,212
Earnings per share			
– Basic and diluted (US cents per share)	7.43	10.34	10.36
– Basic and diluted (equivalent to approximately HK$ per share)	0.58	0.81	0.81

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December		
	2023	**2024**	**2025**
	US$'000	*US$'000*	*US$'000*
Non-current assets			
Property, plant and equipment	1,518,121	1,469,127	1,585,509
Right-of-use assets	189	17,320	65,750
Mining rights	99,481	90,937	81,178
Other equity investments	–	–	16,764
Restricted bank balances	1,505	1,505	1,505
Deferred tax assets	27,651	24,603	28,733
Prepayments and other receivables	44,784	178,227	158,566
Total non-current assets	**1,691,731**	**1,781,719**	**1,938,005**
Current assets			
Inventories	861,271	848,154	737,092
Trade receivables at amortised cost	50,012	70,913	64,894
Trade receivables at fair value through profit or loss ("**FVTPL**")	367,565	185,742	270,027
Prepayments and other receivables	243,526	236,378	315,292
Financial assets	–	5,835	–
Restricted bank balances	3,044	2,831	1,739
Time deposits	110,000	4,173	–
Cash and cash equivalents	492,364	1,018,662	1,476,212
Total current assets	**2,127,782**	**2,372,688**	**2,865,256**
Total assets	**3,819,513**	**4,154,407**	**4,803,261**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	740,119	864,199	864,199
Reserves	1,102,267	1,384,869	1,621,810
Total equity attributable to equity shareholders of the Company	1,842,386	2,249,068	2,486,009
Non-controlling interests	644,217	780,024	926,561
Total equity	**2,486,603**	**3,029,092**	**3,412,570**

	As at 31 December		
	2023	2024	2025
	US$'000	*US$'000*	*US$'000*
Non-current liabilities			
Deferred tax liabilities	130,518	176,602	183,349
Bank and other borrowings – due after one year	–	9,752	–
Lease liabilities	–	15,328	56,902
Deferred income	11,672	11,170	10,054
Provision for restoration, rehabilitation and environmental costs	50,679	51,594	111,243
Total non-current liabilities	**192,869**	**264,446**	**361,548**
Current liabilities			
Trade payables at amortised cost	233,306	216,259	242,784
Trade payables at FVTPL	298,553	224,207	242,595
Other payables and accrued expenses	270,687	217,221	266,498
Income tax payable	151,652	173,130	196,254
Bank and other borrowings	177,486	20,424	24,516
Lease liabilities	191	2,269	8,931
Contract liabilities	2,854	6,727	10,213
Financial liabilities	5,312	632	37,352
Total current liabilities	**1,140,041**	**860,869**	**1,029,143**
Total liabilities	**1,332,910**	**1,125,315**	**1,390,691**
Total equity and liabilities	**3,819,513**	**4,154,407**	**4,803,261**

CONSOLIDATED CASH FLOW STATEMENT

	Year Ended 31 December		
	2023	**2024**	**2025**
	US$'000	*US$'000*	*US$'000*
Operating activities			
Profit before tax	558,620	775,416	812,874
Adjustments for:			
Finance costs	32,796	11,346	5,111
Interest income	(10,879)	(24,307)	(39,472)
Depreciation of property, plant and equipment	191,304	183,974	166,799
Depreciation of right-of-use assets	5,354	463	2,772
Amortisation of mining rights	14,564	8,019	9,253
Impairment losses, net of reversal:			
– input value added tax ("**VAT**") receivables	22,879	40,575	13,323
– financial assets under expected credit loss ("**ECL**") model	7,603	(2,251)	7,794
Losses/(gains) on disposal of property, plant and equipment, net	67	(199)	3,684
Losses arising on fair value change of financial assets/liabilities at FVTPL	8,771	28,935	4,161
Write-down of inventories to net realisable value	8,376	1,994	13,667
Release of premium for electricity supply	1,771	1,323	1,996
Deferred income recognised	(1,104)	(773)	(1,116)
Foreign exchange losses	1,058	(3,560)	(3,445)
Operating cash flows before movements in working capital	**841,180**	**1,020,955**	**997,401**
Decrease in inventories	(35,201)	23,696	107,917
Increase in trade and other receivables and prepayments	(14,547)	22,192	34,397
Decrease in trade and other payables and accrued expenses	(7,405)	(148,170)	(33,641)
Increase in contract liabilities	1,112	3,873	3,486
Cash generated from operations	**785,139**	**922,546**	**1,109,560**
Income tax paid	(195,861)	(147,330)	(170,903)
Net cash generated from operating activities	**589,278**	**775,216**	**938,657**

	Year Ended 31 December		
	2023	**2024**	**2025**
	US$'000	*US$'000*	*US$'000*
Investing activities			
Interest received	10,879	24,307	39,472
Proceeds from disposal of property, plant and equipment	3,785	2,275	4,501
Purchases of property, plant and equipment	(158,175)	(211,271)	(242,040)
Placement of deposits in a fellow subsidiary	–	–	(62,700)
Purchase of other equity investments	–	–	(16,764)
Placement of restricted bank balances	(607)	(593)	(1,589)
Decrease in time deposits	(80,000)	105,827	4,173
Net cash used in investing activities	**(224,118)**	**(79,455)**	**(274,947)**
Financing activities			
Issue of shares	–	124,891	–
Share issuance cost	–	(811)	–
Dividends paid to shareholders of the Company	(105,455)	(115,898)	(167,370)
Dividends paid to non-controlling shareholders	(108,547)	(23,824)	(32,364)
Interest paid	(31,118)	(11,840)	(335)
Repayments of bank and other borrowings	(401,500)	(205,087)	(20,000)
Repayments of lease liabilities	(8,041)	(277)	(3,763)
New bank and other borrowings	50,000	59,825	14,227
Net cash used in financing activities	**(604,661)**	**(173,021)**	**(209,605)**
Net (decrease)/increase in cash and cash equivalents	**(239,501)**	**522,740**	**454,105**
Cash and cash equivalents at 1 January	732,923	492,364	1,018,662
Effect of foreign exchange rate changes	**(1,058)**	**3,558**	**3,445**
Cash and cash equivalents at 31 December	**492,364**	**1,018,662**	**1,476,212**

RISK FACTORS

Any investment in the Bonds is subject to a number of risks. Prior to investing in the Bonds, prospective investors should carefully consider risk factors associated with any investment in the Bonds, the Group's business and the industries in which it operates together with all other information contained in this Offering Circular, including, in particular the risk factors described below. Words and expressions defined in the Conditions or elsewhere in this Offering Circular have the same meanings in this section.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Bonds and should be used as guidance only. Additional risks and uncertainties relating to the Company that are not currently known to the Company or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Company and, if any such risk should occur, the price of the Bonds may decline and investors could lose all or a part of their investment. Investors should consider carefully whether an investment in the Bonds is suitable for them in light of the information in this Offering Circular and their personal circumstances.

RISKS RELATING TO THE GROUP'S BUSINESS AND THE INDUSTRY

Political, economic, regulatory, legal and social risks associated with investments in Zambia, the DRC, and Kazakhstan could have an adverse effect on our business.

Similar to other emerging markets, Zambia, the DRC, and Kazakhstan are subject to certain political, economic, regulatory, legal and social developments that may, individually or in combination, create risks for investors that may be more difficult to predict or measure than in certain developed economies. Any political instability could have an adverse impact on the economy as a whole. Political disruptions and civil unrest in any neighbouring countries could potentially have an adverse effect on Zambia, the DRC, and Kazakhstan exports and, consequently, on our business. In addition, changes in the interpretation or enforcement of the laws and regulations currently in effect in Zambia, the DRC, and Kazakhstan could adversely affect our business, financial condition and results of operations.

Recent general elections in Zambia (held in August 2026) and the DRC (held in December 2023) did not result in changes to their respective ruling political parties; however, political transitions in these jurisdictions, as well as evolving governance in Kazakhstan, have historically led or may in the future lead to policy shifts. The governments of Zambia, the DRC and Kazakhstan may periodically introduce or adjust policies and regulations, particularly those concerning foreign investment, subsoil and mining rights, mineral royalty rates, taxation, currency controls, and foreign labour. Any future political transitions or adverse changes in the regulatory and economic environments across these jurisdictions could materially and adversely affect our business, financial condition and results of operations.

The Zambian government holds a "special share" in each of Luanshya and NFCA, which entitles it to consent rights over certain material corporate matters of these subsidiaries.

The Minister of Finance and National Planning of Zambia (the "**Minister**") holds a "**special share**" in each of Luanshya and NFCA. The special share is a non-equity, non-contributory share that does not entitle the Minister to participate in the day-to-day operations or management of Luanshya or NFCA, but entitles the Minister to consent rights in respect of certain material corporate matters in relation to Luanshya and NFCA. The special share also entitles the Minister to receive dividends in accordance with the relevant articles of association.

According to the articles of association of Luanshya, the written consent of the Minister is required for (1) the amendment, removal or alteration of certain terms in the articles of association, (2) voluntary winding up, and (3) material change in the nature of business. The affirmative vote of the Minister must also be obtained in advance for any change of the place of incorporation of Luanshya. According to the articles of association of NFCA, the written consent of the Minister is required for (1) the amendment, removal or alteration of certain terms in the articles of association, (2) voluntary winding up, (3) change of control, (4) material change in the nature of business, and (5) sale, transfer, assignment, lease or disposal of a significant portion of the undertaking, property and/or assets of NFCA.

While the Minister does not, in practice, participate in the day-to-day business or operational decisions of Luanshya or NFCA, the Minister's consent rights described above could affect our ability to undertake certain strategic or corporate actions in relation to our Zambian operations. In the event the Minister's written consent cannot be obtained in these circumstances when required, or such consent is delayed or granted on conditions unfavourable to us, our business, financial condition and results of operations could be materially and adversely affected.

Changes to the political and economic relationship between Zambia and the PRC, or to the specific arrangements from which the Group benefits, could materially and adversely affect the Group's business, financial condition and results of operations.

The PRC and Zambia established diplomatic relations in 1964 and have since developed a broad framework of bilateral cooperation. As a subsidiary of CNMC, a PRC state-owned enterprise, the Group has historically benefited from a number of specific arrangements arising out of this bilateral relationship, including (i) the location of the Group's Chambishi copper smelter and certain other operations within the Zambia-China Economic and Trade Cooperation Zone, which was developed by CNMC and within which the Group enjoys preferential tax, customs and other incentives granted by the Government of Zambia; (ii) the long-standing cooperation between CNMC and the Government of Zambia (including the Ministry of Mines and Minerals Development and ZCCM-IH), which has facilitated the Group's acquisition, retention and renewal of mining licences and related rights; and (iii) the benefit of the bilateral investment protection and double taxation arrangements between the PRC and Zambia.

There is no assurance that the above arrangements, or the broader political and economic relationship between the PRC and Zambia, will continue on their current terms or at all. Any deterioration in PRC-Zambia relations, any change in Zambia's policy towards PRC-invested enterprises, or any termination or unfavourable amendment of any of the above arrangements could adversely affect the Group's ability to retain or renew its mining licences, increase its tax, customs or foreign exchange costs, restrict its ability to repatriate funds from Zambia, or otherwise increase the political and regulatory risks of operating in Zambia, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and its ability to meet its obligations under the Bonds.

High rates of inflation in Zambia, the DRC and other jurisdictions in which the Group operates could have a material adverse effect on the Group's business, financial condition and results of operations.

Our operations are located in Zambia, the DRC, and Kazakhstan, which have historically experienced relatively high rates of inflation. Since we are unable to control the market prices at which we purchase our raw materials and auxiliary materials, it is possible that significantly higher inflation in the future in Zambia, the DRC, and Kazakhstan, without a concurrent devaluation of the local currency against the US dollar or an increase in the prices of our products, could have a material adverse effect upon our business, financial condition and results of operations.

Outbreaks of HIV/AIDS, malaria, tuberculosis and other communicable diseases or pandemics in the jurisdictions in which the Group operates could materially and adversely affect the Group's operations and workforce.

HIV/AIDS, malaria and other diseases pose a serious threat to the Group's ability to maintain a skilled workforce in the mining industry of the Copperbelt region in Zambia and the DRC. The per capita incidences of the HIV/AIDS virus in Zambia and the DRC have been estimated as being among the highest in the world. As such, HIV/AIDS remains a major healthcare challenge faced by our operations in these countries. There can be no assurance that we will not incur the loss of a significant number of members of our workforce or workforce man-hours or incur increased medical costs, which may have a material adverse effect on our business, financial condition and results of operations.

The Group is exposed to fluctuations in commodity prices.

The Group's commodity price risk mainly derives from its exposure to fluctuations in the market prices of copper and cobalt, copper being the principal commodity purchased, produced and sold by the Group. The prices of copper and cobalt are affected by numerous factors beyond the Group's control, including global and regional economic activity, currency exchange rates, interest rates, inflationary expectations, the political and economic conditions of major copper- and cobalt-producing countries, political unrest, armed conflicts, terrorist acts, governmental regulation, supply and demand for the relevant metal, production disruptions caused by equipment failure, industrial action, accidents, natural disasters and adverse weather conditions, accessibility of substitute metals, and forward selling activity.

The prices of copper and cobalt may remain volatile, and there is no assurance that they will increase from, or remain at, current levels. A sustained or significant decrease in the prices of copper and cobalt could result in the Group reporting a financial loss, an impairment of the Group's assets, or being unable to meet its obligations under its financial liabilities (including the Bonds) and could have a material adverse effect on the Group's business, cash flow, financial condition and results of operations. Declining commodity prices may also require the Group to reassess the feasibility of particular projects, which may cause substantial delays or interrupt operations. Conversely, significant increases in copper or cobalt prices may cause customers to reduce consumption or seek substitute products, which could also adversely affect the Group. The Group's selling prices are determined by reference to prevailing market prices and are not fixed under long-term contracts. Prices of the Group's copper products are generally determined on an "M+2" or "M+3" basis, and prices of its sulphuric acid products are adjusted on a monthly or quarterly basis. While the Group conducts hedging activities in accordance with its internal policies to mitigate part of its commodity price exposure, such arrangements may not fully offset adverse price movements, and the Group remains exposed to short- to medium-term fluctuations in commodity prices.

A downturn in the global economy or disruptions to international financial markets could materially and adversely affect the Group's business, financial condition, results of operations and ability to access financing.

The Group's business is significantly affected by global macroeconomic conditions. Demand for, and prices of, copper, cobalt and other base metals are closely correlated with the level of industrial activity, infrastructure investment, real estate construction and manufacturing output in major economies.

The global economy and international financial markets have continued to experience significant volatility in recent years as a result of, among other things, geopolitical tensions and armed conflicts (including the conflicts in Ukraine and the Middle East and related sanctions), and escalating trade tensions, tariffs and export control measures. There can be no assurance that measures implemented by major economies to stabilise growth will be effective.

A prolonged downturn in the global economy or in major economies could result in: (i) reduced demand for, and downward pressure on the prices of, the Group's products; (ii) deterioration in the financial condition of the Group's customers, suppliers and counterparties; (iii) volatility in interest rates and commodity prices; and (iv) disruption or reduced liquidity in the international debt and capital markets, which may limit the Group's ability to obtain financing or to refinance its existing indebtedness (including the Bonds) on commercially acceptable terms, or at all. The occurrence of any of the foregoing could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

A substantial portion of the Group's copper products are sold to customers in the PRC, and any decrease in demand for imported copper in the PRC, or any increase in domestic PRC copper production, could materially and adversely affect the Group's business, financial condition and results of operations.

The Group sells a substantial portion of its copper products, principally blister copper and copper cathode, to copper refineries, smelters and processing plants located in the PRC. In 2023, 2024 and 2025, the Group's sales of products to external customers in the PRC (including Hong Kong) accounted for 66.1%, 52.1% and 12.5% of the Group's total revenue, respectively. As a result, the Group's results of operations are significantly dependent on the level of PRC industrial activity and on PRC demand for imported copper products.

A slowdown in the PRC economy, changes in PRC industrial policy or any other factors that reduce PRC demand for blister copper, copper cathode or other copper products may adversely affect the prices at which the Group sells its products and the volumes it is able to sell. In addition, the PRC has continued to expand its domestic copper smelting, refining and processing capacity in recent years. If domestic PRC production of copper products increases significantly in the future, or if the PRC implements policies favouring domestically produced copper or restricting copper imports, demand for imported copper products in the PRC may decrease, or import margins may compress, even if overall PRC copper consumption remains stable or grows.

Changes in PRC import tariffs, value-added tax policies, customs procedures or quality standards applicable to imported copper products could also adversely affect the Group's ability to export its products to PRC customers on commercially acceptable terms. The occurrence of any of the foregoing could have a material adverse effect on the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group is subject to risks relating to changes in the estimates of Mineral Resources and Ore Reserves.

The Mineral Resource and Ore Reserve estimate of the Group included elsewhere in this Offering Circular, have been prepared in compliance with the JORC Code. However, no assurance can be given that an identified Mineral Resource will continue to contain reasonable prospects for eventual economic extraction, or that the particular level of metal recovery from the Ore Reserves will be realised. The estimation of Mineral Resources and Ore Reserves is based on the interpretation of limited information regarding the location, shape and continuity of the deposit, as well as available sampling data. Producing annual estimates is a time-consuming process, and as a result, Mineral Resource estimates may not be precise or up to date. Accordingly, they are referred to as estimates rather than exact calculations.

There can be differences between a Mineral Resource estimate or an Ore Reserve estimate and the actual extraction performance of the relevant deposits, which may lead to material changes in the economic viability of the Group's projects. The exploration of mineral tenements is speculative in nature and is frequently unsuccessful. Estimated Mineral Resources and Ore Reserves may have to be re-estimated based on changes in metals prices, further exploration or development activity, or actual production experience. Any such re-estimation could have a material adverse effect on the estimates of the volume or grade of mineralisation, estimated recovery rates or other important factors that influence Mineral Resource or Ore Reserve estimates.

Market price fluctuations for copper, cobalt and other metals, increased production costs, reduced recovery rates or other factors may render the present Proved Ore Reserves and Probable Ore Reserves of the Group uneconomical or unprofitable to develop, resulting in the loss of their JORC classification as Ore Reserves and a reduction in the Group's reported reserve base and remaining mine life. The occurrence of any of the foregoing could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group's businesses may face cyber security threats.

The Group's operations depend on the resilience and security of its information technology and operational technology systems, including systems used to monitor and control mining, processing, smelting and refining operations. The Group has implemented a centralised information security function, multi-layered technical defences and group-wide technology use policies. However, no security measures can provide absolute protection, and the Group cannot guarantee that all cyber threats will be prevented or mitigated in a timely manner.

The Group's geographically dispersed sites, including those in remote regions of Zambia, the DRC and other jurisdictions in which the Group operates, rely on network connectivity and, in the case of NFCA, cloud-based systems, making them potentially susceptible to cyber-attacks, telecommunications outages, and other disruptions. Cyber security threats, including malware, ransomware, phishing, unauthorised access, data breaches, and unauthorised manipulation of operational technology systems, are increasing in sophistication and frequency.

As at the date of the Offering Circular, the Group has not experienced any cybersecurity incident that has had a material adverse effect on its business or operations. However, any future cybersecurity incidents could result in production downtime at the Group's mines or processing facilities, loss or corruption of data, unauthorised disclosure of confidential business, operational or personal data, regulatory penalties (including under applicable data protection laws in Zambia, the DRC, the PRC and other jurisdictions), financial losses, or reputational harm. Any of these outcomes could have a material adverse effect on the Group's businesses, financial condition, and results of operations and its ability to meet its obligations under the Bonds.

Failure to maintain the quality of the Group's copper and cobalt products to required specifications could materially and adversely affect the Group's businesses, financial condition and results of operations.

The Group's principal products include copper cathodes, copper anodes, sulphuric acid and cobalt hydroxide. The marketability and pricing of these products depend significantly on their conformity to the specifications required by the Group's customers and, in the case of copper cathodes, whether they have been registered as LME Grade A brands or conform to LME Grade A registration standards.

The quality of the Group's products may be affected by a number of factors, including the grade and chemical composition of the ore mined, the effectiveness of the Group's processing, smelting and refining operations, the performance of the Group's quality control and assurance systems, and the accuracy of third-party assay and inspection results. Any failure to meet required specifications — for example, elevated levels of impurities such as lead, zinc, manganese, sulphur and phosphorus in copper cathodes, or sub-specification cobalt content in cobalt hydroxide — could result in customer rejections, price discounts, loss of LME Grade A status for affected brands, contractual claims, loss of customers or reputational harm in the international commodity markets.

For the years ended 31 December 2023, 2024 and 2025, and the six months ended 30 June 2026, the Group has not experienced any material customer rejection or loss of LME Grade A registration. However, any future failure to maintain product quality could have a material adverse effect on the Group's businesses, financial condition, results of operations and its ability to meet its obligations under the Bonds.

The Group may not be able to detect and prevent fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties.

The Group's operations across Zambia, the DRC, the PRC and other jurisdictions, and its dealings with a wide range of employees, representatives, agents, contractors, customers, suppliers and government counterparties, expose it to the risk of fraud, bribery, corruption, theft, embezzlement, money laundering, sanctions violations and other misconduct. Such misconduct, whether committed by the Group's own personnel or by third parties acting on its behalf, could subject the Group to litigation, financial losses (including misappropriation of assets, ore or saleable products), reputational harm, and sanctions imposed by governmental authorities, including under the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, the PRC Anti-Unfair Competition Law and Anti-Money Laundering Law, and anti-corruption laws in Zambia, the DRC, and Kazakhstan.

The mining industry, and operations in certain of the jurisdictions in which the Group operates, may present heightened risks of corruption and misconduct, including in connection with the procurement of permits and licences, dealings with government officials, customs and tax compliance, and security and community arrangements. The Group has adopted a group-wide anti-fraud and anti-corruption compliance framework, including a whistleblowing policy and internal audit function, but no compliance system can provide absolute assurance that all misconduct will be prevented or detected on a timely basis.

As at the date of the Offering Circular, the Group has not been subject to any material investigation, prosecution or sanction in respect of fraud, bribery or corruption that has had a material adverse effect on its business. There can be no assurance, however, that fraud or other misconduct will not occur in the future, or that any such occurrence will not be material. If such fraud or other misconduct does occur, it could have a material adverse effect on the Group's businesses, financial condition, results of operations and its ability to meet its obligations under the Bonds.

Failure to achieve the Group's production estimates could have a material adverse effect on its business, financial condition and results of operations.

Estimates of future production for the Group's mining, ore processing, leaching and smelting operations are subject to change and are based on, among other things, Mineral Resource and Ore Reserve estimates, assumptions regarding ground conditions and the physical and metallurgical characteristics of ores, utilisation rates of production facilities, costs of production, and prevailing industry and general economic conditions. Actual production from the Group's mining, ore processing, leaching and smelting operations may vary from these estimates for a variety of reasons, including the risks and hazards discussed elsewhere in this Offering Circular and the following:

- actual ore mined varying from estimates in grade, tonnage, and metallurgical and other characteristics;
- unusual or unexpected geological conditions;
- mining dilution;
- lower than estimated recovery rate;
- industrial accidents;
- equipment failures;
- severe weather conditions and natural disasters;
- changes in power costs and potential power shortages;
- shortages of principal supplies needed for operation, including but not limited to copper concentrates, explosives, fuels, sulfuric acid and equipment parts;
- delays in obtaining, or revocation of, required governmental approvals, licences or permits; and
- restrictions imposed by, or adverse actions taken by, governmental authorities, including in the host jurisdictions in which the Group operates.

Such occurrences could result in damage to mineral properties, mines or processing facilities, interruptions in production, injury or death to persons, damage to our property or the property of others, monetary losses and legal liabilities. These factors may cause an operation that has been profitable in the past to become unprofitable. Estimates of production from mines or processing facilities not yet in production or from operations that are to be expanded are based on similar factors (including, in some instances, feasibility studies prepared by our personnel and/or external consultants), but it is possible that actual cash operating costs and economic returns will differ significantly from those currently estimated. We cannot assure you that we will achieve our production estimates. Our failure to achieve our production estimates could have a material and adverse effect on our business, financial condition and results of operations.

Failure to discover new reserves, maintain or enhance existing reserves, or develop new or expand existing mining operations could materially and adversely affect the Group's business, financial condition and results of operations.

Mining exploration is unpredictable in nature. The success of any mining exploration program depends on various factors including, among other things: (i) whether ore bodies can be located; (ii) whether the location of ore bodies are economically feasible to mine; (iii) whether appropriate metallurgical processes can be developed and appropriate mining and processing facilities can be economically constructed; and (iv) whether necessary governmental permits, licenses and consents can be obtained.

The life of each mine depends on feasibility studies and design work based on resource models and prevailing techno-economic conditions. Once economically recoverable reserves are depleted, or if continued operations become uneconomic due to adverse market conditions, regulatory changes, declines in ore grade, increases in production costs or other factors, mining activities at the relevant site may cease earlier than currently anticipated.

In order to maintain copper and cobalt production beyond the life of the current proved and probable reserves, the Group must identify further reserves capable of economical production. However, due to the unpredictable and speculative nature of mineral exploration, no assurance can be given that any exploration programme currently being undertaken, or that may be undertaken in the future, by the Group will result in the discovery of commercially viable mineralisation. There is no assurance that reported resources can be converted into reserves, either. Furthermore, actual results upon production may differ from those anticipated at the time of discovery.

To access additional reserves in explored areas, the Group will need to successfully complete development projects, including extending existing mines and developing new mines. There are a number of uncertainties inherent in the development and construction of any new mine or an extension to an existing mine, including: (i) the availability and timing of necessary governmental approvals; (ii) the timing and cost necessary to construct mining and processing facilities; (iii) the availability and cost of leaching and smelting arrangements; (iv) the availability and cost of labor, utilities, auxiliary materials and other supplies and the accessibility of transportation and other infrastructure; and (v) the availability of funds to finance construction and production activities.

Also, the estimated remaining mine lives of certain of the Group's principal mining operations may be shorter than, or comparable to, the tenor of the Bonds. If the Group is unable to extend such mine lives, whether through further exploration, resource conversion, technological improvements or favourable changes in market conditions or regulations, or to replace depleted production with output from new or acquired mining operations on a timely basis, the Group's cash flows available for servicing the Bonds in the later years of the Bonds' tenor may be materially reduced.

Accordingly, there is no assurance that any future exploration activities or development projects will extend the life of the Group's existing mining operations or result in any new economic mining operations, or that the Group will otherwise be able to sustain its current production levels over the long term, and such failure could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group's mining operations have finite lives and entail significant closure, rehabilitation, financial assurance and environmental compliance obligations.

In addition to the risks described in "— *Failure to discover new reserves, maintain or enhance existing reserves, or develop new or expand existing mining operations could materially and adversely affect the Group's business, financial condition and results of operations*" above regarding the finite lives of the Group's mining operations, upon cessation of operations at each mine, the Group will be required to undertake remediation, rehabilitation, closure and decommissioning activities to address the environmental and social impacts of its mining operations. The key costs and risks associated with mine closure include: (i) the long-term management of permanent engineered structures (including tailings storage facilities, waste rock dumps and water management infrastructure); (ii) the achievement of environmental closure standards (including revegetation and water quality requirements); (iii) the orderly retrenchment and resettlement of employees and contractors; and (iv) the relinquishment of sites and associated infrastructure to relevant authorities.

The actual costs of mine closure, rehabilitation and post-closure monitoring may differ materially from the Group's current estimates due to factors such as changes in laws or closure standards, unanticipated environmental conditions or events (including, for example, the SML Tailings Dam Incident described in "— *The Group's operations are exposed to safety risks and the occurrence of industrial accidents*" below, which may necessitate additional remediation and monitoring measures at the affected site), inflation, and the long-time horizons involved. The Group has developed conceptual closure plans and cost estimates for its principal operations, but there can be no assurance that mine closure will be completed without delays, cost overruns, or disputes.

Any failure by the Group to comply with these rehabilitation, closure or financial assurance obligations in Zambia, the DRC or elsewhere could subject it to penalties, administrative actions (including suspension of permits or operations), and could materially increase its closure liabilities. Accordingly, the costs, uncertainties and regulatory burdens associated with mine closure and rehabilitation could have a material adverse effect on the Group's business, financial condition, results of operations and its ability to meet its obligations under the Bonds.

The Group faces significant ESG and reputational risks that could adversely affect its operations and financial condition.

The Group's mining operations are subject to substantial ESG and reputational risks inherent in the extractive industry. Negative events or perceptions related to environmental performance, community relations, health and safety, or governance can severely impact the Group, irrespective of their ultimate legal merit. The principal ESG and reputational risks faced by the Group include the following.

- *Environmental incidents and pollution.* Accidental releases, spills, or structural failures at mine sites or related infrastructure (such as tailings dams or water management systems) can cause significant environmental damage, leading to regulatory sanctions, costly remediation, legal liabilities, and severe reputational harm.

- *Occupational health and safety hazards.* Mining involves hazardous activities. Serious accidents, injuries, or fatalities can trigger investigations, operational suspensions, increased insurance costs, compensation claims, and damage to the Group's social license to operate and employer brand.

- *Community relations and social unrest.* Operations may lead to disputes with local communities over land use, resettlement, water rights, or perceived environmental and social impacts. These can manifest as protests, blockades, vandalism, or litigation, disrupting operations, delaying projects, and increasing security and community engagement costs.

- *Evolving ESG standards and stakeholder scrutiny.* There is increasing global focus on ESG performance, climate change, and responsible mining. Activists, investors, lenders, and communities are applying greater scrutiny. Failure to meet evolving standards or expectations — even if not legally mandated — can limit access to capital, affect customer and partner relationships, and attract negative media and NGO attention.

The financial impact of such ESG and reputational risks is multifaceted and can be material. It may arise from: (i) direct costs of incident response, remediation, and legal settlements; (ii) fines and penalties; (iii) increased capital or operating costs to meet higher standards; (iv) disruption or suspension of operations; (v) difficulty in obtaining or retaining permits, licenses, or financing; and (vi) a sustained decline in the market's perception of the Group, potentially affecting the trading price of the Bonds, and cost of capital. The occurrence of any significant ESG-related incident or failure to manage these risks effectively could have a material adverse effect on the Group's business, financial condition, results of operations and its ability to meet its obligations under the Bonds.

The Group's major capital expenditure-intensive projects are subject to uncertainties, and the Group's businesses and operations require significant capital resources on an ongoing basis.

The Group's development projects and mining operations require significant and largely ongoing capital investment. The Group intends to invest in projects at its existing operations to enhance production efficiency, as well as to expand and develop its mining, ore processing, leaching, smelting and refining capacities. Such projects may be delayed, run over budget, or remain incomplete, and there is no assurance that they will deliver the expected economic returns or prove commercially viable. Furthermore, the actual capital investment required for the operation and development of the Group may significantly exceed anticipated capital expenditure due to factors beyond the Group's control.

Before commencing such projects, the Group typically conducts feasibility studies. However, actual results may differ materially from those anticipated by such feasibility studies, and there is no assurance that any project, whether ongoing, planned or to be undertaken in the future, will ultimately be implemented or generate any profit. In addition, if a valuable mineral resource is discovered, it may take several years and require significant capital expenditure to complete the initial phases of exploration and mine development before commercial production commences, and during such period the estimated capital cost and economic feasibility of the project may change materially.

Actual costs for these projects may exceed initial budgets due to factors such as schedule delays, increases in funding costs arising from foreign exchange and interest rate volatility, changes in project design or scope, increases in the cost of materials, supplies, equipment or labour, and the failure to obtain the necessary governmental or regulatory approvals, licences or permits on a timely basis. In addition, such projects may fail to achieve the anticipated economic returns or commercial viability due to a range of factors, including, but not limited to, adverse changes in market conditions, lower-than-expected grades, tonnage or recovery rates of mineral reserves, elevated construction and production costs, and reduced demand or prices for the Group's products. If any of these projects are not completed as planned, exceeds its budget or schedule, or fails to achieve anticipated economic results or commercial viability, the Group's business, financial condition and results of operations could be materially and adversely affected.

The Group also requires significant capital resources to acquire and develop mineral resources, obtain and maintain exploration and mining rights, permits and licences, and to purchase and maintain mining, processing and ancillary facilities and equipment. The Group primarily funds its operations through cash generated from operations and bank borrowings, and also receives financial support from its controlling shareholder, CNMC, to support certain financing needs for growth and acquisitions. The Group may need to obtain additional financing for business growth, future acquisitions and investment opportunities. In addition, if the Group acquires or invests in another company or project, additional financing may be required to fund continuing operations and/or growth.

There is no assurance that the Group will be able to generate positive operating cash flow from time to time, or that cash generated from its existing operations will be sufficient to fund the Group's development and expansion. The availability of external funding is subject to various factors, including governmental approvals, prevailing capital and credit market conditions, credit availability, interest rate movements, the performance of the businesses the Group operates, and the Company's relationships with external financial institutions and CNMC. Disruptions, uncertainty or volatility in the capital and credit markets, including those resulting from global or regional financial or geopolitical events, may limit the Group's ability to obtain financing on commercially acceptable terms, or at all. To the extent that additional financing is unavailable or unaffordable when required for any project, the Group may be compelled to restructure, delay, scale back or abandon such project, and as a result its business, financial condition, results of operations, growth prospects and expansion plans may be materially and adversely affected, which in turn may affect the Group's ability to meet its obligations under the Bonds.

The Group may not achieve the anticipated benefits from future acquisitions or may encounter difficulties in integrating and developing acquired assets or businesses.

As part of its growth strategy, the Group may from time to time seek to expand its mineral resources base through the acquisition of companies holding exploration or mining rights, and may also acquire downstream processing plants, leaching plants, smelters or other businesses or assets that are complementary to its existing operations. There can be no assurance that the Group will be able to identify suitable acquisition targets, complete acquisitions on commercially acceptable terms, or obtain the governmental and regulatory approvals required to consummate any acquisition or to develop newly acquired reserves or processing operations on a timely basis or at all.

Acquisitions also involve a number of inherent risks, including the failure to successfully integrate the acquired business into the Group's operations, diversion of management attention from the Group's existing business, loss of key employees, undisclosed liabilities or legal claims associated with the acquired assets, unanticipated changes in business, industry or general economic conditions affecting the assumptions underlying the acquisition, and a decline in the value of the acquired assets. In addition, acquisitions may be funded through additional indebtedness, which could increase the Group's leverage and constrain its financial flexibility, including its ability to service the Bonds.

If any of the foregoing risks materialises, the Group may not realise the anticipated benefits from any acquisition, and the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

The Group conducts a substantial portion of its operations through joint venture companies and may not be able to control the operations or strategic direction of such joint ventures.

The Group conducts a substantial portion of its operations in Zambia, the DRC, and Kazakhstan through joint venture companies in which it holds interests alongside other shareholders, including Zambia, the DRC, and Kazakhstan state-owned entities and other strategic or financial partners. The Group may also enter into further joint venture arrangements in the future as its operations expand.

Joint venture arrangements involve a number of inherent risks, including the possibility that the Group's joint venture partners may: (i) have economic, strategic or commercial interests, objectives or policies that differ from or conflict with those of the Group; (ii) exercise veto rights, reserved matter rights or other minority protection rights to block actions that the Group considers to be in the best interests of the relevant joint venture or of the Group as a whole; (iii) take actions, or fail to take actions, that are contrary to the Group's instructions, requests, policies or objectives; (iv) be unable or unwilling to fulfill their obligations under the relevant joint venture, shareholders' or financing agreements, including obligations to make capital contributions or to provide guarantees or other credit support; (v) experience financial difficulties, insolvency or other adverse events that affect their ability to perform their obligations; or (vi) have disputes with the Group regarding the scope of each party's rights and obligations or the operation, management or strategic direction of the joint venture.

In particular, the constitutional documents and shareholders' agreements of certain of the Group's principal joint venture companies (including, among others, NFCA, Luanshya and Huachin) contain reserved matters or supermajority approval requirements covering, among other things, changes to share capital, issuance of new shares, mergers, acquisitions and disposals above specified thresholds, payment of dividends and distributions, granting of guarantees and security, disposal of mining licences and material assets, and amendments to constitutional documents. As a result, the Group may be unable to cause the relevant joint venture company to take, or refrain from taking, certain actions without the consent or cooperation of its joint venture partners, even where the Group believes such actions to be in its or the joint venture's best interests. This may, among other things, restrict the Group's ability to extract dividends, cash flows or other distributions from such joint ventures to service its obligations, including its obligations under the Bonds.

In addition, certain of the Group's joint venture partners are state-owned or government-related entities, and changes in government policy, shareholding or political circumstances in the relevant jurisdictions may further affect the operation, governance or continuity of such joint venture arrangements. The occurrence of any of the foregoing could result in disruption to the operations of the relevant joint venture, delay or non-completion of development projects, deadlock or dispute resolution proceedings, or termination of the joint venture arrangement. If any joint venture is terminated and is not replaced on similar terms, or if any dispute with a joint venture partner is not resolved on terms favorable to the Group, the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

The Group purchases a substantial portion of the raw materials for its copper smelting operations, including copper concentrate, from third parties, and any unavailability of, or increase in the price of, such raw materials could materially and adversely affect the Group's business.

The internal copper concentrate produced by the Group's own mining operations is not sufficient to meet the full feed requirements of the copper smelting operations at the CCS and Lualaba Copper Smelter. To maximise the throughput and operating efficiency of CCS and Lualaba Copper Smelter, the Group purchases a substantial proportion of its copper concentrate requirements from third-party producers, including local and international producers in the DRC, Zambia, and other regions.

The availability and commercial terms of third-party copper concentrate are subject to a number of factors beyond the Group's control, including global and regional copper concentrate supply and demand balance, the production levels and operational performance of local concentrate producers, prevailing treatment and refining charges (TC/RC) terms, and competition from other smelters in the region. If the Group is unable to secure sufficient quantities of copper concentrate of acceptable grade from third parties on a timely basis, or is only able to do so on unfavourable TC/RC terms, the utilisation rate and profitability of CCS could be materially and adversely affected, and the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

Increases in the Group's production costs, including the costs of raw materials, auxiliary materials and labour, could materially and adversely affect the Group's business.

In addition to copper concentrate, the Group's production costs comprise auxiliary materials (including reagents, grinding media and spare parts), fuel and other utilities, staff costs and overheads. The Group's total cost of sales, as well as the respective proportions attributable to auxiliary materials and staff costs, fluctuate from period to period based on its production scale and market conditions.

The Group's production costs are affected by a number of factors beyond the Group's control, including exchange rate fluctuations between the Renminbi, the U.S. dollar and the local currencies of the Group's operating jurisdictions, wage inflation in the DRC and Zambia, and changes in the cost and availability of fuel, electricity, reagents and other consumables. If the Group is unable to pass on any increase in production costs to its customers on a timely basis or at all, the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

The Group relies on third-party contractors for certain aspects of its operations, and any failure by such contractors to perform their obligations, or any failure by the Group to maintain stable working relationships with them, could materially and adversely affect the Group's business.

The Group outsources a significant part of its mining and exploration engineering work (such as drilling) and its mine and plant construction work to third-party contractors. The performance of the Group's operations is therefore affected by the performance of these contractors. Any failure by the Group to maintain cooperative relationships with these contractors, to renew outsourcing arrangements on commercially acceptable terms upon expiry, or to engage replacement contractors of comparable capability on a timely basis, could disrupt the Group's mining and construction activities.

In addition, the Group may not be able to control the quality, safety and environmental standards of work performed by third-party contractors to the same extent as work performed by the Group's own employees. Any failure by such contractors to meet the Group's quality, safety or environmental standards, any dispute with such contractors, or any claim by third parties against the Group in respect of outsourced activities, could result in additional costs, production delays, reputational damage and loss of customers.

If any of the foregoing risks materialises, the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

The Group's operations are energy-intensive, and any shortage of, disruption to, or material increase in the price of, electricity, water or fuel could increase the Group's operating costs or disrupt or delay production.

The Group consumes a substantial amount of electricity, water and fuel in connection with its mining, ore processing, leaching and smelting operations, and the Group expects its demand for such utilities to continue to increase as its business grows. In 2023, 2024 and 2025, the aggregate cost of electricity, water and fuel consumed by the Group represented approximately 6.1%, 6.0% and 9.2% of the Group's total cost of sales, respectively.

Electricity is the largest single utility input for the Group's operations. The Group sources its electricity primarily from the national grids of the DRC and Zambia, which depend significantly on hydropower generation, and the electricity supply in the regions where the Group operates has historically been subject to capacity constraints, load-shedding and tariff adjustments, and may be affected by drought conditions affecting hydropower output. Any prolonged electricity shortage or unscheduled outage could interrupt the Group's operations, jeopardise the safety of personnel working underground, cause damage to the Group's equipment and result in significant costs related to the recommence of operations. While the Group has taken measures to mitigate the impact of electricity shortages, including the use of back-up generators, the entry into long-term power purchase arrangements and the implementation of solar-storage microgrid projects, there is no assurance that such measures will be sufficient during prolonged shortages.

The Group's operations also depend on the availability of adequate water supply for ore processing and leaching, and on diesel and other fuel for mobile equipment, generators and transportation. Water availability may be affected by drought and competing demand from other users, and fuel supply and pricing are subject to global oil market volatility and import logistics in landlocked operating jurisdictions.

If the Group experiences any shortage of, disruption to, or material increase in the price of, electricity, water or fuel, and the Group is unable to secure alternative sources of supply or pass on increased costs to its customers on a timely basis, the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

The Group may experience a shortage of reliable and adequate inland or seaborne transportation capacity for its products and raw materials, and any disruption in transportation or material increase in transportation costs could materially and adversely affect the Group's business.

The Group's mining and processing operations are primarily located in the Zambia, the DRC, and Kazakhstan, and the Group relies on a combination of road, rail and seaborne transportation to deliver its products to customers in the PRC and other markets, and to transport raw materials, consumables and equipment to its operational sites. In particular, the Group's products originating from its mine sites in the DRC and Zambia to ports in southern and eastern Africa, including Dar es Salaam, Durban and Beira, and then shipped by sea to destination markets. For its operations in Kazakhstan, considering its landlocked geography, products are generally transported cross-border via rail or road networks to destination markets such as the PRC. The Group also uses road and rail transportation for raw materials and consumables procured locally or regionally.

The transportation infrastructure in the regions where the Group operates is generally less developed than in more industrialised economies, and is subject to a number of risks and constraints, including limited road and rail capacity, congestion at border crossings and ports, poor road conditions, fuel shortages, labour disputes, strikes by transportation workers, accidents, theft and security incidents, and adverse weather conditions or natural disasters such as floods and landslides. In addition, the Group's cross-border logistics depend on the political stability of, and cooperation between, multiple jurisdictions in Africa and Central Asia, and any deterioration in such conditions, the imposition of border controls, customs delays, changes in transit fees or tariffs, or other regulatory measures could disrupt the Group's transportation arrangements.

The Group does not own a substantial portion of the transportation assets used in its logistics chain and relies on third-party logistics service providers, including, in certain cases, members of the CNMC and its affiliates (collectively, the "**CNMC Group**") . There is no assurance that the Group will be able to secure sufficient transportation capacity on commercially acceptable terms or at all, particularly during periods of high demand or supply chain disruption. Transportation costs, including fuel costs, freight rates and port handling charges, are also subject to fluctuations beyond the Group's control, and any material increase in such costs that the Group is unable to pass on to its customers could compress the Group's margins.

While the Group has not historically experienced any transportation disruptions that had a material adverse effect on its operations, any future disruption in the transportation of the Group's products or raw materials, or any material increase in transportation costs, could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group derives a substantial portion of its revenue from a small number of customers, and the loss of, or reduction in purchases by, any major customer could materially and adversely affect the Group's business.

The Group sells a substantial portion of its products to a small number of customers. In 2023, 2024 and 2025, sales to the Group's five largest customers accounted for approximately 88.8%, 87.6% and 74.1% of the Group's total revenue, respectively, and sales to the Group's largest customer accounted for approximately 55.5%, 50.2% and 54.1% of the Group's total revenue, respectively.

The Group generally does not enter into long-term or exclusive purchase contracts with its customers, and its customers may switch to other suppliers without incurring significant costs. There is no assurance that the Group will be able to retain its existing customers on commercially acceptable terms or at all, or that such customers will maintain their current level of purchases from the Group. The Group's ability to expand its customer base is also subject to a number of factors, including market conditions, the competitive landscape and the Group's production capacity and product mix.

If any of the Group's major customers reduces or ceases its purchases from the Group for any reason, including changes in their business strategies, financial condition or supply chain arrangements, and the Group is unable to obtain replacement orders of comparable volume on commercially acceptable terms on a timely basis, the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

The Group sells a substantial portion of its products to, and procures certain services from CNMC Group and any change in such relationship could materially and adversely affect the Group's business.

The Group sells a substantial portion of its products to CNMC Group, which also provides the Group with certain services ranging from the procurement of machinery and equipment to the logistics and transportation of raw materials and products. See the section headed "*Related Party Transactions*" for further information.

There is no assurance that the CNMC Group will continue to purchase the Group's products or provide such services on current terms or at all. The Group's transactions with the CNMC Group are conducted pursuant to framework agreements and individual arrangements that may be amended, not renewed or terminated in accordance with their terms, and the CNMC Group is under no contractual obligation to maintain its current level of purchases or services beyond the terms of such arrangements. In addition, the Group's relationship with the CNMC Group may change significantly in the future as a result of changes in the CNMC Group's strategy, business priorities, financial condition, shareholding structure or applicable regulatory requirements.

In the event that the CNMC Group ceases or significantly reduces its purchases of the Group's products, or terminates or reduces the quality or level of services provided to the Group, and the Group is unable to find replacement customers or third-party service providers of comparable quality and on commercially acceptable terms on a timely basis, the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds could be materially and adversely affected.

The non-ferrous metals industry is highly competitive, and the Group faces competition from both international and Chinese producers.

The Group operates in a highly competitive global non-ferrous metals industry and faces competition from major international and Chinese copper, cobalt and other non-ferrous metal producers. Some of the Group's competitors may have certain advantages over the Group, including greater financial, technical, operational and mineral resources, greater economies of scale, more diversified product portfolios or geographical presence, lower production costs, more advanced processing technologies, and more established relationships with customers, suppliers, host governments and local communities in the jurisdictions in which they operate.

In addition, the Group competes with other mining companies for the acquisition of attractive mineral properties, exploration and mining rights, qualified personnel and access to financing. Increased competition may limit the Group's ability to acquire new mineral assets or expand its existing operations on commercially acceptable terms, or at all, and may also exert downward pressure on the prices of the Group's products or upward pressure on its operating costs. Any of the foregoing could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group may not be able to obtain sufficient financing on commercially acceptable terms, or at all, to fund its ongoing operations, capital expenditure requirements, acquisitions, investments and debt service obligations.

The exploration, mining and processing of mineral resources is highly capital intensive. To fund its operations, capital expenditure requirements, acquisitions, investments, debt service obligations and other funding requirements, the Group requires sufficient internal sources of liquidity and access to external financing on commercially acceptable terms. The Group currently funds its capital expenditure and operating requirements through a combination of cash flows from its operating activities, short-term and long-term bank borrowings, debt capital markets issuances and other forms of external financing.

The Group's future liquidity, ability to settle trade and other payables, and ability to repay or refinance its outstanding indebtedness (including the Bonds) as and when due will depend primarily on its ability to maintain adequate cash inflows from its operating activities and to obtain adequate external financing. The Group's ability to generate sufficient operating cash flows may be adversely affected by, among other things, declines in production volumes, downward movements in copper, cobalt and other commodity prices, increases in operating costs and adverse macroeconomic or regulatory developments in the jurisdictions in which the Group operates.

The Group's ability to access external financing in the future is subject to a number of uncertainties, including: (i) the Group's future financial condition, results of operations, cash flows and credit ratings (if any); (ii) general conditions in the global and domestic capital and credit markets; (iii) movements in interest rates and changes in lending policies of commercial banks and other financial institutions; (iv) the Group's ability to renew or refinance its existing borrowings as they mature; (v) restrictions under the Group's existing and future financing arrangements (including the Bonds and any covenants thereunder); and (vi) political, economic and regulatory developments in Zambia, the DRC, the PRC and other jurisdictions in which the Group operates or in which its financing sources are located.

Disruptions, uncertainty or volatility in the global capital and credit markets, including as a result of geopolitical tensions, economic downturns, sovereign debt or banking sector concerns, monetary policy tightening or other adverse developments, may limit the Group's ability to obtain financing or refinance its indebtedness on commercially acceptable terms, or at all. If adequate funding is not available to the Group on a timely basis and on favorable terms, the Group's ability to fund its existing operations, develop or expand its business, complete planned acquisitions or meet its debt service obligations (including its obligations under the Bonds) could be materially and adversely affected. In addition, if the Group raises additional funds through the incurrence of further indebtedness, its interest and debt repayment obligations will increase and it may become subject to additional restrictive covenants. There can be no assurance that the Group will be able to obtain sufficient financing on commercially acceptable terms, or at all, when required.

The Group's level of indebtedness, which will increase upon the issuance of the Bonds, could materially and adversely affect its financial condition and ability to meet its obligations under the Bonds.

The Group monitors its capital structure using the net debt to total equity gearing ratio, calculated by dividing net debt by total equity attributable to the owners of the Company. As at 31 December 2023, 2024 and 2025 and 30 June 2026, the Group had total bank and other borrowings of approximately US$177.5 million, US$30.2 million, US$24.5 million and US$10.6 million, respectively. Following completion of the issuance of the Bonds, the Group's total indebtedness and gearing ratio will further increase.

The Group's level of indebtedness could have important consequences for the holders of the Bonds, including, among others: (i) limiting the Group's ability to obtain additional financing on commercially acceptable terms, or at all, to fund future capital expenditures, working capital, acquisitions, debt service requirements or other general corporate purposes; (ii) requiring a substantial portion of the Group's cash flows from operations to be dedicated to the payment of principal and interest on its indebtedness, thereby reducing funds available for other purposes; (iii) increasing the Group's vulnerability to adverse general economic and industry conditions, including fluctuations in commodity prices, interest rates and foreign exchange rates; (iv) limiting the Group's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates; (v) placing the Group at a competitive disadvantage compared to its competitors with less indebtedness; and (vi) restricting the Group's ability to pay dividends or make other distributions.

In addition, the Group's existing financing arrangements contain, and any future financing arrangements (including the Bonds) may contain, financial and other covenants that restrict the Group's operational and financial flexibility. Any failure to comply with such covenants, or any inability to refinance the Group's existing indebtedness as it matures on commercially acceptable terms, could result in an event of default, acceleration of indebtedness or cross-default under other financing arrangements, any of which could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

Fluctuations in currencies could materially and adversely affect our business, financial condition and results of operations.

The Group conducts its operations primarily in Zambia, the DRC, and Kazakhstan and sells a substantial portion of its products to customers in the PRC and other overseas markets. The Group's principal products, including copper and cobalt products, are commodities that are typically priced by reference to international benchmark prices (such as those quoted on the London Metal Exchange) denominated in US dollars.

The Group's monetary assets, borrowings and a substantial portion of its sales transactions are principally denominated in US dollars, while a portion of its operating costs (including the procurement of certain raw materials and auxiliary materials, payment of salaries to local employees and settlement of local taxes and levies) are denominated in Zambian Kwacha ("**ZMW**"), Congolese Franc ("**CDF**"), Kazakhstani Tenge ("**KZT**") Renminbi ("**RMB**"), Hong Kong dollars or other currencies. A particular source of the Group's foreign currency exposure is its outstanding value-added tax (the "**VAT**") receivables in Zambia, which are denominated in ZMW. As the ZMW and certain other local currencies in the Group's operating jurisdictions are not widely traded, effective hedging instruments are not readily available in the market to hedge against such exposures. Furthermore, the proceeds from the issuance of the Bonds will be received in US dollars and may be applied across multiple jurisdictions and currencies. The effect of currency exchange fluctuations is impossible to predict with any degree of certainty, and any material fluctuations may adversely affect the Group's business, results of operations, financial condition and ability to meet its obligations under its financial liabilities (including the Bonds).

The Group's ability to hedge its foreign exchange exposure is limited. In particular, the Group's significant operating cost base in ZMW and CDF, which are not freely convertible currencies, cannot be effectively hedged through the financial markets. As a result, the Group may not be able to mitigate the adverse impact of exchange rate movements on its cost structure and profitability. Any further international expansion or acquisitions by the Group may increase its exposure to foreign exchange fluctuations.

We may experience delays in receiving progress payments and trade receivables from our customers, which could materially and adversely affect our cash flow and working capital, our business, financial condition and results of operations.

The Group may from time to time receive payments from its customers on a delayed basis. Delays in customer payments may result in increased trade receivables balances and could adversely affect the Group's cash flow and working capital position. As at 30 June 2026, the Group's aggregate trade receivables amounted to approximately US$408.3 million, representing an increase of approximately US$73.4 million from approximately US$334.9 million as at 31 December 2025, primarily attributable to an increase in receivables relating to sales of copper products.

If the Group encounters delays or defaults in the payment of trade receivables or progress payments by its customers, the Group may be required to obtain additional working capital financing to fund its operations, which may not be available on commercially acceptable terms or at all. There can be no assurance that the Group's customers will make payments on a timely basis or that any such delays or defaults will not materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

Hedging activities may limit our participation in commodity price increases and increase our exposure to counterparty credit risk.

The Group from time to time enters into hedging arrangements in respect of a portion of its production to manage its exposure to fluctuations in copper, cobalt and other commodity prices. To the extent the Group engages in such price risk management activities, it may be prevented from fully realizing the benefits of commodity price increases above the levels established under its hedging contracts, and may recognize unrealized or realized losses on its hedging positions during periods of adverse price movements. In addition, the Group's hedging arrangements expose it to the risk of financial loss if any counterparty to a hedging contract fails to perform its obligations thereunder. The occurrence of any of the foregoing could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The discontinuation or change of any preferential tax or customs treatment currently available to us and the increase in the applicable tax or customs regime could decrease our future net income and materially and adversely affect our business, financial condition and results of operations.

Pursuant to the Income Tax (Amendment) Act, 2021 enacted by the Parliament of Zambia on 29 December 2021, the standard corporate income tax rate in Zambia was reduced from 35% to 30%. Furthermore, mineral royalties, which were previously non-deductible under the Mines and Minerals Development Act, 2015, have been amended to become deductible expenses for corporate income tax purposes. Certain of the Group's subsidiaries have from time to time enjoyed preferential tax treatments, in the form of reduced tax rates or tax holidays, granted by the governments of Zambia, the DRC, Kazakhstan or their respective local authorities. The Group's effective income tax rates fluctuate from period to period based on the geographic mix of its earnings and the availability of such preferential tax treatments.

Preferential tax treatments granted for a fixed term are available only until the relevant term expires, and there can be no assurance that any such treatments will be renewed on similar terms, or at all. In addition, the Group is subject to the risk of adverse changes in tax laws, tax rates, customs duties, royalties or other levies, or in the interpretation or enforcement of such laws and regulations, in Zambia, the DRC Kazakhstan or other jurisdictions in which the Group operates. The Zambian, DRC and Kazakhstani tax and mining regimes have in the past been subject to frequent changes, including the introduction, modification or abolition of windfall taxes, mineral royalties, export duties and value-added tax refund mechanisms, and may continue to be subject to such changes in the future.

The reduction or elimination of any preferential tax or customs treatment currently available to the Group, the imposition of additional taxes, royalties, duties or levies (whether in existing or new forms), or any adverse change in the interpretation or enforcement of applicable tax or customs laws, could significantly increase the Group's tax and operating costs, reduce its net income and materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

Our business, financial condition and results of operations may be materially and adversely affected by labor disputes, labor conflicts and disruptions.

As at 30 June 2026, the Group had approximately 9,005 employees, comprising 939 Chinese employees and 8,066 local employees in Zambia, the DRC and Kazakhstan, together with a substantial number of contractor personnel working at its operations. A significant portion of the Group's employees and its contractors' employees are members of trade unions. Collective agreements at the Group's Zambian operations are typically for fixed terms, and renegotiation of these agreements upon expiry is often accompanied by wage demands and, on occasion, strike action.

The Group has from time to time experienced short-term suspensions of mining and processing operations as a result of legal or illegal strikes, work stoppages and, in certain cases, civil disturbances arising from disputes over wages, collective agreements, employment terms or other matters, some of which have resulted in personal injury and property damage. While such disputes have historically been resolved through negotiation with the relevant labor unions and operations have resumed, there can be no assurance that similar or more serious labor disputes, work stoppages or civil disturbances will not occur in the future, whether involving the Group's own employees or those of its contractors.

If labor disputes or strikes are not resolved within a reasonable timeframe, or if the Group experiences prolonged or large-scale work stoppages, the Group could suffer disruption of operations, damage to property, personal injury or loss of life, increased labor costs and reputational harm, any of which could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group's business depends substantially on the continuing efforts of the Group's leadership and our ability to attract, retain and train key qualified technical personnel, key senior management and other personnel for our operations.

The Group's business depends substantially on the continued services of the Group's leadership and, to a significant extent, on our ability to attract, train and retain qualified technical personnel, particularly those with expertise in copper mining and production. While the Group strives to provide competitive remuneration and benefits, including insurance, to support its workforce, there can be no absolute assurance that we will be able to successfully attract or retain qualified technical personnel. Even if the Group seeks to replace any members of the Group's leadership or key employees who are unable or unwilling to continue their service with us within a reasonable period of time, any failure or material delay in identifying, recruiting, and integrating suitable replacements with equivalent expertise and experience could severely disrupt our operational continuity. Furthermore, if any members of the Group's leadership or key employees join a competitor or form a competing company, we may lose customers, suppliers, proprietary know-how, and key personnel. As a result, our business, financial condition, and results of operations could be materially and adversely affected, and we may incur substantial additional expenses to recruit, train, and retain necessary personnel.

CNMC will continue to be our Controlling Shareholder, whose interests may differ from or conflict with those of our other Shareholders.

As at the date of this Offering Circular, CNMC beneficially owns in aggregate approximately 66.63% of the Company's issued share capital and is the Company's controlling shareholder. Accordingly, CNMC is able, through its voting power at shareholders' meetings and through the directors it nominates to the Board, to exercise significant influence over the Group's operations and business strategy, including the composition of the Board, the selection of senior management, the declaration and payment of dividends, the formulation and implementation of business plans and other strategic and investment decisions, the issuance of securities and adjustments to the Group's capital structure, amendments to the Company's constitutional documents, and other corporate actions requiring shareholders' approval, including any merger, consolidation, sale of assets or change of control.

The interests of CNMC may not align with, and may conflict with, those of the Company's other Shareholders or the Bondholders. CNMC may take actions, including through the exercise of its influence as controlling shareholder, that favour itself or its other subsidiaries and associated companies in a manner that is detrimental to the Group, its other Shareholders or the Bondholders. There can also be no assurance that CNMC will not in the future acquire interests in companies or businesses that compete with the Group. The occurrence of any of the foregoing could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group's operations involve extensive environmental risks and the possibility of mishandling dangerous or hazardous materials, which could expose us to material liabilities.

The Group's operations are subject to environmental, health and safety risks inherent in the mining and processing industries, including accidental spills, leaks, discharges or overflows from tailings dams or other facilities, falling objects, equipment failures, and the handling and storage of explosive, toxic and other dangerous materials. The occurrence of any such incidents could result in damage to or destruction of production facilities, personal injury or loss of life, environmental damage, business interruption, suspension of production, increased costs, monetary losses and legal liability (including compensatory claims, fines and penalties).

In 2025, the SML Tailings Dam Incident as defined below and a fatal falling-object incident at NFCA occurred, each of which resulted in a temporary suspension of the affected operations. The Group promptly implemented comprehensive safety and environmental corrective measures, and normal production has since resumed. These incidents did not have any long-term adverse impact on the Group's overall production and operations. However, there can be no assurance that similar incidents will not occur again in the future, or that any such future incidents will not result in more significant operational disruptions, environmental damage, personal injury, regulatory action or financial liability.

In addition, the Zambian government, the government of the DRC or other relevant authorities may impose more stringent environmental, health and safety standards in the future, which could increase the Group's compliance costs. The occurrence of any of the above risks could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group is subject to a significant number of laws and regulations, the compliance with which requires ongoing expenditure and considerable capital commitments from us, and non-compliance may subject us to significant penalties.

The Group's exploration, development, mining and production activities are subject to various laws and regulations governing environmental protection, occupational health, site safety, exploration, mining, development, production taxes, labor standards, toxic substances and other matters. The costs associated with compliance with these laws and regulations are substantial and no assurance can be given that new rules and regulations will not be applied in a manner which could limit or curtail exploration, development, mining or production. Amendments to current laws and regulations governing operations and activities of exploration for and extraction of mineral resources could have a material adverse effect on our business, financial condition and results of operations.

In particular, the Group's operations in the DRC and Zambia are subject to local environmental, health and safety laws and regulations governing matters such as chemical and tailings discharge, water and soil contamination, deforestation, mine safety and the handling of hazardous substances. The Group is also required to comply with the terms and conditions of its mining and exploration licences, permits and authorisations, breach of which could ultimately result in suspension or termination of such rights.

There is no assurance that the Group will be able to comply with all relevant laws and regulations that are adopted or amended in the future, or with the interpretation or enforcement policies adopted by the relevant authorities from time to time. Any failure to comply, or any change in the interpretation or enforcement of such laws and regulations, could subject the Group to punitive measures, including fines, costly remediation or compliance procedures, temporary or permanent suspension or closure of all or part of its operations, revocation of its mining or operating licences, civil or criminal liabilities, and reputational damage. Any of the foregoing could materially and adversely affect the Group's business, financial condition, results of operations and ability to meet its obligations under the Bonds.

The Group's operations are exposed to safety risks and the occurrence of industrial accidents.

Certain of the Group's operations are carried out under potentially hazardous conditions, and in the past have led to accidents. Underground mining operations at NFCA have particularly challenging conditions in relation to safety due to a higher water content in the ore body compared to other mine sites. Liabilities might arise in the future as a result of accidents, fatalities or other workforce-related misfortunes, some of which may be beyond our control. Any such events could lead to significant expenditure by us in respect of compensation claims or payments, and insurance may be unavailable or prohibitively expensive.

For example, on 18 February 2025, a tailings dam at SML, a subsidiary of the Group, experienced a localized breach and liquid leakage following damage to its anti-seepage membrane and extreme rainfall (the "**SML Tailings Dam Incident**"). This incident resulted in a temporary suspension of operations and subsequently gave rise to litigation and regulatory scrutiny. Although SML has engaged local attorneys and is vigorously defending against these claims, no assurance can be given as to the ultimate outcome of this incident and the related legal proceedings. Any adverse judgment, potential settlement, or longer-term reputational damage could result in material liabilities, costs, or operational disruptions for the Group's subsidiaries. See "*Business — Environment*" and "*Business — Legal and Compliance*" for further details regarding this incident.

The Group is subject to risks relating to litigation and regulatory investigation proceedings.

The Company and its subsidiaries face risks of lawsuits and arbitration claims in the ordinary course of their respective business. In 2025, the SML Tailings Dam Incident has given rise to a number of lawsuits and claims against the Group. As at the date of this Offering Circular, several lawsuits and/or claims arising out of, or in connection with, the SML Tailings Dam Incident have been brought against the Group's subsidiary, SML, with a single claim involving an amount in dispute of US$80.0 billion, which has been disclosed in the Group's clarification announcement published on the Stock Exchange on 18 September 2025. As the outcomes of these legal proceedings remain uncertain, they continue to be disclosed as contingent liabilities as at 30 June 2026. The Group is also subject to ongoing regulatory investigations, administrative actions and remediation orders by the relevant Zambian authorities in connection with the SML Tailings Dam Incident. While the Group believes that these ongoing disputes would not have a material adverse effect on the liquidity, business, financial condition, results of operations and prospects of the Group, there is no assurance that the ultimate outcome will be favorable to us.

Although the Group takes an active approach in defending claims and investigations, such investigations and litigations may cause or will cause serious damage to the Group's reputation, which in turn may affect the Group's business, results of operations and financial condition. There is no assurance that the Group will successfully defend such claims and investigations, and there is no assurance that such incidents will not occur in the future. Meanwhile, adverse publicity about concerns relating to the Group's brand, whether or not legitimate, may decrease customers' confidence in the Group and result in losses which the Group may not be able to recover. Actions brought against the Company or any of its subsidiaries may result in settlements, injunctions, fines, penalties, stock delisting or other results adverse to it that could harm its reputation. Even if the Company or its subsidiary is successful in defending itself against these actions, the costs of defense may be significant. In market downturns, the number of legal claims and the amount of damages sought in litigation and regulatory proceedings may increase. A significant judgement or regulatory action against the Company or any of its subsidiaries, or a disruption in its business arising from adverse adjudications in proceedings against its directors, officers or employees would have a material adverse effect on the liquidity, business, financial condition, results of operations and prospects of the Group.

We may be unable to obtain, retain or renew governmental concessions, permits, authorizations, licenses and other approvals required in connection with our operations.

We are required under applicable laws and regulations to seek governmental concessions, permits, authorizations, mining and prospecting licenses and other approvals, including in connection with our operating, producing, exploration and development activities. Obtaining, retaining or renewing the necessary governmental concessions, permits, authorizations, licenses (including with respect to mining, environment and water use) or approvals can be a complex and time-consuming process and may involve substantial costs or the imposition of unfavorable conditions. There can be considerable delay in obtaining the necessary permits and other authorizations and, in certain cases, the relevant government agency may be unable to issue a permit or other authorization which is required in a timely manner.

In addition, the duration and success of license applications are contingent on many factors that are beyond our control (including pressure from local communities, non-governmental organizations or media). Certain of the concessions, permits, authorizations, licenses or approvals held by us in respect of our mining operations, production and development projects and exploration prospects may be terminated under certain circumstances, which include the following: (i) failure to comply with any of the material, general or special license conditions (including provision of regular reports and the taking out of appropriate insurance) or gain an extension to the time period required for compliance with such conditions; (ii) minimum expenditure levels or minimum work commitments are not achieved by us (or a corresponding penalty is not paid to the appropriate state authority); (iii) environmental, health and safety standards (including payment of contributions and establishment of environmental performance bonds) are not met; (iv) operating in the licensed areas in a manner that violates the laws of Zambia, the DRC and Kazakhstan; (v) failure to provide information required or requested by authorities; (vi) liquidation of the immediate license holder; (vii) failure to comply with any requirement under the mining legislation relating to the mining or prospecting license; and (viii) not providing or giving false information on recovery of ores and mineral products, production costs or sales. We may not be able to continue to comply with such laws and regulations due to factors that are beyond our control, and under those circumstances, our licenses and permits may be revoked and we may be subject to penalty. Our operational income derived under such licenses or permits may also be forfeited. To the extent that these laws, regulations and legal requirements are evolving, additional licenses and permits may be required or we may be required to adjust our activities in order to comply with such regulations and in doing so, may incur substantial costs.

Failure to obtain or renew a necessary concession, permit, authorization, license or approval or termination by any relevant governmental authority of any one or more of our mining, production and development, exploration or other concessions, permits, authorizations, licenses, property rights or approvals could result in us being unable to proceed with the development or continued operation of a mine, facility or project which, in turn, may have a material adverse effect on our business, financial condition and results of operations.

We are subject to various operational risks and hazards, and do not insure against certain risks, and our insurance coverage may be insufficient to cover potential liabilities and losses.

We face various operational risks in connection with our businesses, including production interruptions caused by operational errors, electricity outages, the failure of equipment and other risks; operating limitations imposed by environmental or other regulatory requirements; social, political and labor unrest; environmental or industrial accidents; catastrophic events such as fires, earthquakes, explosions, floods or other natural disasters; and risks related to the complicated geological structure of our mine and geological disasters that occur during the mining process such as mine collapses. These risks can result in, among other things, damage to, and destruction of, mineral properties or production facilities; personal injury or loss of life; environmental damage; delays in mining; monetary losses; and legal liability. The occurrence of any of these events may result in the interruption of our operations and subject us to significant losses or liabilities. See the section headed "*Business — Insurance*" for further information.

We may not have adequate or any insurance coverage on the above operational risks. There can be no assurance that our insurance coverage would be sufficient in case of such major accidents. In the event that we incur substantial losses or liabilities and our insurance is unavailable or inadequate to cover such losses or liabilities, our business, financial condition and results of operations could be materially and adversely affected.

Natural disasters, acts of war and terrorism, riots, epidemics and other disasters could affect our business.

Our business is subject to general and social conditions. Natural disasters, acts of war and terrorism, riots, epidemics and other disasters that are beyond our control could materially and adversely affect the economy, infrastructure and livelihoods of the people of Zambia, the DRC, Kazakhstan, China or elsewhere. If any of these natural disasters happens in the regions where we operate, our operations may be disrupted and as a result, our business, financial condition and results of operations may be materially and adversely affected. In addition, acts of war and terrorism may cause damage or disruption to us or our employees, facilities, markets, suppliers or customers, any of which may have a material adverse effect on our business, financial condition and results of operations or our Share price. Potential riots, war or terrorist attacks may also cause uncertainty and cause our business to suffer in ways that we cannot currently predict. Further, epidemics threaten people's lives and could materially and adversely affect their livelihood as well as their living and consumption patterns. The occurrence of an epidemic is beyond our control, and any epidemic or pandemic occurring in areas in which we operate, or even in areas in which we do not operate, could materially and adversely affect our business, financial condition and results of operations.

The Group derives its business from international operations that are subject to risks in relation to foreign operations, complex legal and regulatory regimes, sovereignty and sanctions.

The Group conducts a substantial part of its operations outside of Hong Kong (principally in Zambia and the DRC, and has recently expanded its project footprint into Kazakhstan) and, as such, it is exposed to a wide range of political, economic, legal, regulatory and other risks and uncertainties. These risks and uncertainties vary from country to country. Material risks include, but are not limited to, regime or policy changes, fluctuation in currency exchange rates, changes to licensing regimes, amendments to concessions, licences, permits and contracts, and changing political conditions and governmental regulations. Changes in any aspects above or shifts in political attitudes in the jurisdictions in which the Group operates may adversely affect the Group's operations, financial condition and profitability.

The Group must follow numerous local and international rules on anti-bribery, sanctions, related-party transactions, trade controls and governance. These rules are subject to frequent change and are applied differently across jurisdictions. The Group must also meet complex disclosure and approval requirements for dealings with directors, major shareholders, joint-venture partners and other connected parties. Any breach could lead to civil, criminal, financial or reputational harm, including fines, licence losses, operational disruption or limits on doing business.

The decline in growth and macroeconomic activity in many developing nations has resulted in governments seeking alternative means of increasing their income, including increases to corporate tax, VAT and royalty rates, coupled with increased audit and compliance activity. Shifts in governmental policy and regulation in our host jurisdictions could adversely affect the economic and political environment in the medium to long term. See "— *Political, economic, regulatory, legal and social risks associated with investments in Zambia, the DRC, and Kazakhstan could have an adverse effect on our business*" for further details.

Other risks associated with conducting businesses from international operations include:

- economic, financial and market instability, and credit risks, including, for example, those relating to the potential deterioration of the credit markets and economic conditions of other countries;

- changes in foreign government regulations or policies;
- dependence on foreign governments or entities controlled by such foreign governments for electricity, water, transportation and other utility or infrastructural needs;
- trade restrictions or embargoes;
- sanctions or other restrictive measures that limit dealings with, or the provision of financing, goods, technology or services to, sanctioned countries, entities or individuals, which may restrict the Group's ability to pursue, finance or operate certain overseas projects;
- expropriation and nationalisation of the Group's assets in foreign jurisdictions; and
- lack of well-developed or independent legal systems in foreign jurisdictions in which the Group has overseas operations, which may create difficulties in the enforcement of contractual rights.

In particular, the Group's international operations are subject to the risk of sanctions imposed by governments or international bodies, including those of the United States, European Union, United Kingdom, and United Nations. The imposition of new sanctions, or changes to existing sanctions regimes, could restrict the Group's ability to conduct business in certain countries, limit access to financing, or result in the loss of key suppliers, customers, or business partners. The Group must also ensure ongoing compliance with all applicable sanctions laws and regulations, and any inadvertent dealings with sanctioned parties could result in significant civil, criminal, or reputational consequences.

In addition, some of the countries in which the Group operates carry higher levels of sovereign risk. Political and administrative changes and reforms in law, regulations or taxation may impact sovereign risk. Political and administrative systems can be slow or uncertain and may result in risks to the Group, including the ability to obtain tax refunds in a timely manner. The Group has processes in place to monitor any impact on the Group and implement responses to such changes, but there can be no assurance that such measures will be effective in mitigating all potential adverse effects.

RISKS RELATING TO THE PRC

The economic conditions in the PRC, as well as governmental policies, could affect our business and prospects.

China's economy differs from the economies of most developed countries in many respects, including the degree of government involvement, control of capital investment and foreign currency exchange, growth rate, overall level of development and access to financing. While China's economy has experienced significant growth in the past decades, growth has been uneven both geographically and among various economic sectors. Although the PRC government has implemented a range of measures to encourage economic growth and development, any changes in China's social conditions may have a material and adverse effect on our business, financial condition and results of operations. In addition, the PRC government has implemented certain measures, including interest rate increases, to tame the inflation. These measures may cause a contraction of economic activity in China, which could in turn reduce the demand for our products and have a material adverse effect on our business, financial condition and results of operations.

Any adverse change in the economic conditions or government policies in China could have a negative impact on the overall economic growth, the results of operations of CNMC and the demand for copper in China, which in turn could materially and adversely affect our business, financial condition and results of operations.

Changes in PRC laws, regulations and policies could materially and adversely affect CNMC and in turn affect our business, financial condition and results of operations.

The operations of CNMC, our Controlling Shareholder, like those of other PRC nonferrous metals companies, are subject to regulations imposed by the PRC government. These regulations affect many aspects of its operations, including the pricing of its main products, export quotas, export duty reimbursement, utility expense, industry-specific taxes and fees, business qualifications, capital investment and environmental and safety standards. In addition, as some of the PRC laws and regulations, in particular those relating to offshore investment, company organization and management, business, tax and trade, are currently still evolving, and due to the limited number and non-binding nature of published cases, there exist uncertainties about their interpretation and enforcement. As a result, CNMC may face significant constraints on its ability to implement its business strategies, to develop or expand its business operations or to maximize its profitability. CNMC's business, financial condition and results of operations may also be materially and adversely affected by future changes in policies of the PRC government applicable to its industry. Any policy reforms promulgated by the PRC government in respect of nonferrous metals resources may also have an impact on CNMC's future operations. Besides factors arising from the copper industry itself, the macroeconomic control measures implemented by the PRC government may have an impact on the demand and supply of copper. As CNMC is our Controlling Shareholder, if any of the foregoing impact on CNMC's shareholding in us or result in the termination or reduction of support given to us by CNMC, our business, financial condition and results of operations may be materially and adversely affected.

Government control of currency conversion could materially and adversely affect our business, financial condition and results of operations.

A portion of the Group's sales and purchases were mainly settled in RMB other than the functional currency of these group entities. Renminbi is not a freely convertible currency. It cannot be guaranteed that under a certain exchange rate, the Group will have sufficient foreign exchange to meet its foreign exchange requirements. Under the current PRC foreign exchange control system, foreign exchange transactions under the current account conducted by the Group do not require advance approval from the State Administration of Foreign Exchange of the PRC ("**SAFE**"), but the Group is required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within the PRC that have the requisite licences to carry out foreign exchange business. Foreign exchange transactions under capital account in the PRC continue to be not freely convertible and require the approval of SAFE. The restrictions on foreign-exchange transactions under capital accounts could also affect the subsidiaries' ability to obtain foreign exchange through debt or equity financing, including by means of loans or capital contributions from the Group. The PRC government may also at its discretion restrict access in the future to foreign currencies for current-account transactions. If the foreign-exchange control system prevents the Group from obtaining sufficient foreign currency to satisfy its currency demands, the Group may not be able to pay dividends in foreign currencies to its shareholders.

Additional procedures required to be taken to bring English law governed matters or disputes to the Hong Kong courts and no assurance that the PRC courts will recognise and enforce judgments of the Hong Kong courts in respect of English law governed matters or disputes.

The Conditions and the transaction documents are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, Hong Kong courts may require certain additional procedures to be taken. Under the "Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排)", judgments of Hong Kong courts are likely to be recognised and enforced by the PRC courts where the contracting parties to the transactions pertaining to such judgments have agreed to submit to the exclusive jurisdiction of Hong Kong courts.

However, recognition and enforcement of a Hong Kong court judgement could be refused if the PRC courts consider that the enforcement of such judgement is contrary to the social and public interest of the PRC. While it is expected that the PRC courts will recognise and enforce a judgement given by Hong Kong courts governed by English law, there can be no assurance that the PRC courts will do so for all such judgments as there is no established practise in this area. Compared to other similar debt securities issuances in the international capital markets where the relevant holders of the debt securities would not typically be required to submit to an exclusive jurisdiction, the Bondholders will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts, and thus the Bondholders' ability to initiate to claim outside of Hong Kong will be limited.

RISKS RELATING TO THE BONDS AND THE SHARES

The Bonds may not be a suitable investment for all investors.

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Offering Circular;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;

- understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Bonds, which are complex financial instruments, unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (a) the Bonds are legal investments for it, (b) the Bonds can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase of the Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

Any failure to complete the relevant filings under Order 56 within the prescribed timeframes following the completion of the issue of the Bonds or to comply with the continuing reporting obligations under Order 56 may have adverse consequences for the Issuer and/or the Bondholders.

The NDRC issued the Order 56 on 5 January 2023, which came into effect on 10 February 2023 and repealed the Circular on Promoting the Reform of the Filings and Registration System for Issuance of Foreign Debt by Enterprises (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知(發改外資[2015]2044號)) (the "**NDRC Circular**") on the same date. According to the Order 56, domestic enterprises and their overseas controlled entities shall obtain the Certificate of Review and Registration of Enterprise Borrowing of Foreign Debts ("企業借用外債審核登記證明") (the "**Certificate of Review and Registration**") of any debt securities denominated in Renminbi or a foreign currency, with a maturity term of more than one year issued outside of the PRC with NDRC prior to the issue of such securities and notify the particulars of the relevant issues within 10 working days after the completion of the issuance. In addition to the above-mentioned pre-issuance registration requirements and the post-issue filing obligations, domestic enterprises are subject to further reporting obligations under the Order 56. According to the Order 56, enterprises are required, among others, to (i) report on the status of the foreign debt within 10 working days after the expiration of the relevant Certificate of Review and Registration, (ii) report on use of proceeds, principal and interest repayment status and arrangement and key business indicators within five working days prior to the end of January and July each year, and (iii) promptly report on any material event that may affect the due performance of their debt obligations. The Order 56 sets forth certain legal liabilities and disciplinary measures which would be imposed on enterprises and intermediaries if they fail to comply with the relevant requirements. According to the Order 56, for any enterprise that fails to report relevant information according to the Order 56, the review and registration authorities shall, depending on the seriousness of the circumstances, impose disciplinary measures such as interviews and public warnings on such enterprise concerned and its principal responsible person. Furthermore, conducts in violation of the Order 56 committed by enterprises will be published on, among others, the Credit China (信用中國) website and the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統). In the worst case scenario, non-compliance with the NDRC reporting obligations under the Order 56 may result in it being unlawful for the Issuer to perform or comply with any of its obligations under the Bonds.

Holders will have no rights as holders of the Shares prior to conversion of the Bonds but are subject to changes made with respect to the Shares.

Unless and until a Bondholder acquires Shares upon conversion of its Bonds, it will have no rights with respect to the Shares, including any voting rights or rights to receive any regular dividends or other distributions with respect to the Shares. However, such Bondholder is subject to all changes affecting the Shares. For example, in the event that an amendment is proposed to the Company's Articles of Association requiring shareholder approval, and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to the date of conversion of such Bondholder's Bonds for such Shares and (as applicable) the date of registration by the relevant Bondholder as the holder thereof, that Bondholder would not be entitled to vote on the amendment but would nevertheless be subject to any resulting changes in the powers, preferences or special rights that affect the Shares after conversion.

The Company will follow the applicable corporate disclosure standards for debt securities listed on the Hong Kong Stock Exchange, which standards may be different from those applicable to companies in certain other countries.

The Company will be subject to reporting obligations in respect of the Bonds to be listed on the Hong Kong Stock Exchange. The disclosure standards imposed by the Hong Kong Stock Exchange may be different from those imposed by securities exchanges in other countries or regions. As a result, the level of information that is available may not correspond to the level to which investors in the Bonds are accustomed.

Bondholders may be subject to tax.

Prospective investors in the Bonds are advised to consult their own tax advisers concerning the overall tax consequences of the purchase, ownership, disposition or conversion of the Bonds or the Shares. See "*Taxation*" for a discussion of tax consequences in certain jurisdictions.

Conversion of the Bonds would dilute the ownership interest of existing shareholders and could also adversely affect the market price of the Shares.

The conversion of some or all of the Bonds will dilute the ownership interests of existing shareholders of the Company. Any sales in the public market of the Shares issuable upon such conversion could adversely affect prevailing market prices for the Shares. In addition, the existence of the Bonds may cause short selling of the Shares by market participants.

The Company may not have the ability to redeem the Bonds.

Bondholders may require the Company, subject to certain conditions, to redeem all or some only of their Bonds on the Put Option Date and, following the occurrence of a Relevant Event, on the Relevant Event Redemption Date, in each case in accordance with the Conditions. The Company may not have sufficient funds or other financial resources to make the required redemption at such time or the ability to arrange necessary financing on acceptable terms, or at all. The Company's ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase or redeem tendered Bonds by the Company would constitute an event of default under the Bonds, which may also constitute a default under the terms of other indebtedness of the Company.

The Company may issue additional Bonds in the future.

The Company may, from time to time, and without prior consultation with the Bondholders, create and issue further bonds (see "*Terms and Conditions of the Bonds — Further Issues*") or otherwise raise additional capital through such means and in such manner as the Company may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Bonds.

The Bonds may be redeemed early at the Issuer's option.

The Issuer may, on giving not less than 30 nor more than 60 days' notice, at any time prior to the Maturity Date redeem in whole, but not in part, the Bonds for the time being outstanding at their principal amount if, prior to the date upon which notice of such redemption is published, at least 90 per cent. in principal amount of the Bonds issued (which shall for this purpose include any further Bonds issued pursuant to Condition 15 *(Further Issues)*) has already been redeemed or purchased and cancelled or in respect of which Conversion Rights have been exercised.

In addition, the Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice, at their principal amount, if the Issuer has or will become obliged to pay Additional Tax Amounts (as defined in the Conditions) as a result of certain events set out in the Conditions and such obligation cannot be avoided by the Issuer taking reasonable measures available to it. As a result, the trading price of the Bonds may be affected when the redemption options of the Issuer become exercisable. Accordingly, Bondholders may not be able to sell their Bonds at an attractive price, thereby having a material adverse effect on the trading price and liquidity of the Bonds. In addition, the proceeds from the redemption of the Bonds may be reinvested by the Bondholders and the Bondholders may thereby become subject to additional risks associated with such reinvestment.

The Company relies on dividends and other payments from its subsidiaries to meet its obligations under the Bonds and pay dividends to its shareholders.

As a holding company, the Company depends on the receipt of dividends and the interest and principal payments on intercompany loans or advances from its subsidiaries to pay dividends to the Company's shareholders and to satisfy its obligations, including its obligations under the Bonds. The ability of the Company's subsidiaries to make such payments is dependent on their distributable earnings, cash flow, and general financial condition, as well as compliance with applicable laws and contractual arrangements. In addition, if any of the Company's subsidiaries raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such equity securities would not be available to the Company to make payments due on the Bonds or pay dividends to its shareholders. These restrictions could reduce the amounts that the Company receives from its subsidiaries, which would restrict the Company's ability to meet its payment obligations under the Bonds.

As a result of the foregoing, there is no assurance that the Company will have sufficient cash flow from dividends or payments on intercompany loans or advances from its subsidiaries to satisfy its obligations under the Bonds.

If the Company is unable to comply with the restrictions and covenants in its debt agreements, there could be a default under the terms of these agreements, which could cause repayment of its debt to be accelerated.

If the Company is unable to comply with the restrictions and covenants in its current or future debt agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Company, accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. As a result, the Company's default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Bonds, or result in a default under its other debt agreements. If any of these events occur, there is no assurance that the Company's assets and cash flow would be sufficient to repay in full all of its indebtedness, or that the Company would be able to find alternative financing. Even if the Company could obtain alternative financing, there is no assurance that it would be on terms that are favourable or acceptable to the Company.

An active trading market for the Bonds may not develop, and there are restrictions on resale of the Bonds.

The Bonds will be a new issue of securities for which there is currently no trading market. Although application for the listing of, and permission to deal in, the Bonds will be made to the Hong Kong Stock Exchange, there is no assurance that the Bonds will be able to maintain a listing on the Hong Kong Stock Exchange, or that, if listed, a liquid trading market will develop. If such a market were to develop, the Bonds could be traded at prices that may be higher or lower than the initial issue price depending on many factors, including the Group's business, and the trading prices of similar securities. The Sole Lead Manager is not obliged to make a market for the Bonds. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have an adverse effect on the market value of Bonds.

If an active trading market were to develop, the Bonds could be traded at a price that may be lower than the initial offering price of the Bonds. Whether or not the Bonds will be traded at lower prices depends on many factors, including:

- prevailing interest rates and the market for similar securities;
- general economic, market and political conditions;
- the Company's financial condition, financial performance and future prospects;
- the publication of earnings estimates or other research reports and speculation in the press;
- investment community in relation to the Company; and
- changes in the industry and competition affecting the Company.

Securities laws restrictions on the resale and conversion of the Bonds and the resale of the Shares issuable upon their conversion may impact investors' ability to sell the Bonds.

The Company has not registered the Bonds or the Shares issuable upon conversion of the Bonds under the Securities Act or other securities laws. Unless and until the Bonds and the Shares issuable upon conversion of the Bonds are registered, they may not be offered or sold or resold except in transactions that are exempt from the registration requirements of the Securities Act and hedging transactions may not be conducted unless in compliance with the Securities Act. The Bonds are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. The Issuer is not required to register the Bonds and the Shares into which the Bonds are convertible under the Conditions. Hence, future resales of the Bonds and the Shares into which the Bonds are convertible may only be made pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws.

The liquidity and price of the Bonds following the offering may be volatile.

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in the Group's revenues, earnings and cash flows, proposals for new investments, strategic alliances and/or acquisitions, changes in interest rates, fluctuations in price for comparable companies, government regulations and changes thereof applicable to its industry and general economic conditions nationally or internationally could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the trading volume and price of the Bonds. There is no assurance that these developments will not occur in the future.

There may be filing or other requirements of the CSRC or other PRC government authorities in relation to the proposed issuance of the Bonds or further capital raise activities.

On 17 February 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and supporting guidelines (together, the "**CSRC Filing Rules**"), which came into effect on 31 March 2023. The CSRC Filing Rules will regulate both direct and indirect overseas offering and listing of PRC domestic companies' securities by adopting a filing-based regulatory regime. The CSRC Filing Rules state that, any post-listing follow-on offering by an issuer in an overseas market, including issuance of shares, convertible bonds and other similar securities, shall be subject to filing requirement within three business days after the completion of the offering. In connection with the CSRC Filing Rules, on 17 February 2023 the CSRC also published the Notice on the Administrative Arrangements for the Filing of Overseas Securities Offering and Listing by Domestic Enterprises (《關於境內企業境外發行上市備案管理安排的通知》) (the "**Notice on Overseas Listing Measures**"). According to the Notice on Overseas Listing Measures, issuers that have already been listed in an overseas market by 31 March 2023, the date the Overseas Listing Measures became effective, are not required to make any immediate filing and are only required to comply with the filing requirements under the CSRC Filing Rules when it subsequently seeks to conduct a follow-on offering. The Group has been advised that the Group is required to go through filing procedures with the CSRC after the completion of the Offering and for its future offerings and listing of its securities in an overseas market under the CSRC Filing Rules for the offering. The CSRC Filing Rules provide that an overseas offering and listing, including the offering of convertible bonds, is prohibited under any of the following circumstances: if (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities Offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is currently under investigation for suspicion of criminal offences or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company's controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller (the "**Forbidden Circumstances**"). In addition, in the process of filing, where the issuer may be under any of the Forbidden Circumstances, the CSRC may solicit the opinions of the competent government authorities under the State Council.

The Issuer will comply with applicable filing requirements as appropriate. However, there remains substantial uncertainty as to the interpretation, application and enforcement of the CSRC Filing Rules and how they will affect their operations and their future financing. The Issuer cannot assure you that they are able to meet such requirements, obtain such permit from the relevant government authorities, or complete such filing in a timely manner or at all. In addition, the Issuer cannot guarantee that new rules or regulations promulgated in the future will not impose any additional requirements on them. If it is determined that the Issuer is subject to any approval, filing, other governmental authorisation or requirements from the CSRC or other PRC government authorities, they may fail to obtain such approval or meet such requirements in a timely manner or at all. Such failure may subject the Issuer to fines, penalties or other sanctions which may have a material adverse effect on their business and financial condition.

Any failure to complete the relevant filings under the Order 56 within the prescribed timeframes following the completion of the issue of the Bonds may have adverse consequences for the Issuer and/or the investors of the Bonds. Potential investors of the Bonds are advised to exercise due caution when making their investment decisions. The Issuer will undertake to file or cause to be filed with the NDRC the requisite information and documents in respect of the Bonds within the relevant prescribed timeframes in accordance with the Order 56 and comply with all applicable PRC laws and regulations (including laws and regulations as issued by the NDRC from time to time) in connection therewith.

Holders will bear the risk of fluctuations in the price of the Shares.

The market price of the Bonds at any time will be affected by fluctuations in the price of the Shares. The Shares are currently listed on the Hong Kong Stock Exchange. There can be no certainty as to the effect, if any, that future issues or sales of the Shares or securities convertible or exchangeable into or exercisable for the Shares or any securities or financial instruments whose economic value is determined directly or indirectly by reference to the market price of the Shares, or the availability of such Shares for future issue or sale, will have on the market price of the Shares prevailing from time to time and therefore on the price of the Bonds.

Further issuances, offers or sales of, or the real or perceived possibility of further issuances, offers or sales of a significant number of additional Shares or securities convertible or exchangeable into or exercisable for the Shares or any securities or financial instruments whose economic value is determined directly or indirectly by reference to the market price of the Shares could adversely affect prevailing market prices for the Shares and have an impact on the market price of the Bonds. The Group's results of operations, financial condition, future prospects and business strategy could affect the value of the Shares. The trading price of the Shares will be influenced by the Group's operational results and other factors, such as changes in the regulatory environment that may affect the markets in which the Group operates and capital markets in general. Corporate events such as share sales, reorganisations, takeovers or share buy-backs may also adversely affect the value of the Shares. Any decline in the price of the Shares would adversely affect the market price of the Bonds.

The issuance of the Bonds may result in downward pressure on the market price of the Shares.

Many investors in convertible bonds seek to hedge their exposure in the underlying equity securities, often through short selling the underlying equity securities or similar transactions. Any short selling or similar hedging activity could place significant downward pressure on the market price of the Shares, thereby having a material adverse effect on the market value of the Shares as well as on the trading price of the Bonds.

Holders have limited anti-dilution protection.

The Conversion Price (as defined in the Conditions) will be adjusted in the event that there is a subdivision, consolidation, redesignation, reclassification, rights issues, capital distribution or other adjustment including an offer or scheme which affects Shares, but only in the circumstances and only to the extent provided in "*Terms and Conditions of the Bonds — Conversion — Adjustments to Conversion Price*". There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Shares. Events in respect of which no adjustment is made may adversely affect the value of the Shares and, therefore, adversely affect the value of the Bonds.

The Trustee may request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances, including without limitation the giving of notice to the Company pursuant to Condition 10 (*Events of Default*) of the Conditions and/or the taking of any steps and/or actions and/or the instituting of proceedings pursuant to Condition 12 (*Enforcement*) of the Conditions, the Trustee may request Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any steps and/or actions and/or institutes any proceedings on behalf of Bondholders. The Trustee shall not be obliged to take any such steps and/or actions or to institute any such proceedings if it is not first indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact on when such steps and/or actions can be taken and/or such proceedings may be instituted. The Trustee may not be able to take steps and/or actions and/or to institute proceedings, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and/or the Conditions and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable law or regulations, it will be for the Bondholders to take such steps and/or actions and/or to institute such proceedings directly.

The Bonds will be unsecured obligations.

The Bonds will constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*) of the Conditions) unsecured obligations of the Company at all times ranking *pari passu* and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4(a) (*Negative Pledge*) of the Conditions, at all times rank at least equally with all its other present and future direct, unconditional, unsubordinated and unsecured obligations. The repayment of the Bonds may be compromised if:

(a) the Group enters into bankruptcy, liquidation, rehabilitation or other winding-up proceedings;

(b) there is a default in payment under the Group's future secured indebtedness or other unsecured indebtedness; or

(c) there is an acceleration of any of the Group's indebtedness.

If any of the above events occurs, the Group's assets may not be sufficient to pay amounts due on the Bonds.

The Company's obligations under the Bonds may be subordinated to the secured obligations of the Company.

The Conditions will provide that, so long as any Bond remains outstanding (as defined in the Trust Deed), the Company will not, and the Company shall procure that none of its Subsidiaries (as defined in the Conditions) will, create, permit to subsist or arise or have outstanding, any Encumbrance (as defined in the Conditions) upon the whole or any part of its or their respective present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined in the Conditions), or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness, unless, at the same time or prior thereto, the Bonds are secured equally and rateably (i) therewith or by the same Encumbrance or (ii) by such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed).

If the Issuer creates, or has outstanding, any Encumbrance in respect of any indebtedness other than the Relevant Indebtedness, the rights and entitlements of the Bondholders under the Bonds may be subordinated to those of the holders or beneficiaries of those Encumbrances.

Modification and waivers of the Conditions may be made in respect of the Conditions, the Agency Agreement and/or the Trust Deed by a majority of Bondholders or the Trustee, and decisions may be made on behalf of Bondholders which are binding on all Bondholders and may be adverse to the interests of individual Bondholders.

The Conditions will contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all Bondholders including those Bondholders who did not attend and vote at the relevant meeting and those Bondholders who voted in a manner contrary to the majority. There is a risk that the decision of the majority of the Bondholders may be adverse to the interests of individual Bondholders.

The Conditions will also provide that the Trustee may (but shall not be obliged to), without the consent of Bondholders, agree to:

(a) any modification of any of the provisions of the Trust Deed, the Agency Agreement and/or the Conditions that is, in the Trustee's opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of applicable law; and

(b) any modification (except as mentioned in the Trust Deed) to, or any waiver or authorisation of any breach or proposed breach of, any of the provisions of the Conditions, the Trust Deed and/or the Agency Agreement that is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders.

The Bonds will initially be represented by the Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System.

The Bonds will initially be represented by the Global Certificate. Such Global Certificate will be deposited with a common depositary for Euroclear and Clearstream (each of Euroclear and Clearstream, a "**Clearing System**" and together the "**Clearing Systems**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Bonds. The relevant Clearing System will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Bonds are represented by the Global Certificate, the Company will discharge its payment obligations under the Bonds by making payments to the common depositary for the Clearing Systems, for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System to receive payments under the Bonds. None of the Company, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies.

The U.S. Outbound Investment Rule may be applicable to U.S. persons purchasing or converting the Bonds, and the Issuer can provide no assurance as to the application of that rule to the offering or the conversion of the Bonds.

With effect from 2 January 2025, the U.S. Department of the Treasury has implemented a rule regulating certain U.S. investments in Chinese companies active in developing certain national security technologies, or the Outbound Investment Rule. The Outbound Investment Rule targets investments involving persons and entities associated with "countries of concern," a designation currently limited to China, and imposes investment prohibitions and notification requirements on a range of investments in companies engaged in activities relating to three sectors (i.e., "prohibited transaction" and "notifiable transaction" as such terms are defined in the Outbound Investment Rule): (i) semiconductors and microelectronics, (ii) quantum technologies, and (iii) AI systems (together, "**Covered Activities**"). Persons from countries of concern engaged in these activities are defined as "covered foreign persons." Investments by U.S. persons subject to the Outbound Investment Rule include, among others, the acquisition of a contingent equity interest and the conversion or exchange of contingent equity interest into an equity interest. In addition to directly regulating U.S.-person investments, the Outbound Investment Rule also (1) prohibits a U.S. person from knowingly directing a non-U.S. person from engaging in a transaction that would be a prohibited transaction if entered into by a U.S. person, and (2) imposes notification filing requirements on U.S. persons for any transaction by the U.S. person's "controlled foreign entity" (as defined in the Outbound Investment Rule) if that transaction would be notifiable if entered into by a U.S. person. On 18 December 2025, the National Defense Authorization Act for Fiscal Year 2026, and the Comprehensive Outbound Investment National Security Act ("**COINS Act**") therein, was signed into law by the U.S. President. The COINS Act directs the U.S. Department of the Treasury to issue relevant regulations within 450 days of its enactment, which may result in the U.S. Department of the Treasury taking steps to amend, terminate, supersede, revoke, or streamline existing requirements of the Outbound Investment Rule. In the meantime, the U.S. Treasury has advised that until it issues regulations pursuant to the COINS Act, the current regulations in relation to the Outbound Investment Rule remains in effect.

The Issuer believes that it is not a "covered foreign person" and the investments in the Bonds will not constitute a "notifiable transaction" or a "prohibited transaction". However, the Outbound Investment Rule became effective only recently and is only accompanied by limited guidance from the U.S. Department of the Treasury. There is no guarantee that certain aspects of the business activities of the Issuer are not Covered Activities under the Outbound Investment Rule. If the Issuer is found to be a covered foreign person, a U.S. person investor may need to assess its obligations under the Outbound Investment Rule, for example, making a post-transaction report to the U.S. Department of the Treasury or evaluating potential risks when exercising the conversion rights of the Bonds. Pursuant to guidance issued by the U.S. Treasury, at present, it is expected that a U.S. person would be able to rely on the "publicly traded securities exception" in connection with an investment in the Bonds, which would except a U.S. person from any notification requirements or prohibitions under the Outbound Investment Rules even if the Company was found to be a Covered Foreign Person. However, the exercise of conversion rights in respect of the Bonds is a separate transaction under the Outbound Investment Rules and will need to be assessed independently at the time of such exercise. Investors seeking to rely on the publicly traded securities exception must make their own determinations as to their obligations under the Outbound Investment Rules, and they should consult their own counsel if they have questions.

USE OF PROCEEDS

The net proceeds from this offering of the Bonds, after deducting the fees and commissions and other estimated expenses payable by the Company in connection with this Offering, will be approximately U.S.$300,582,998. The Group intends to apply the net proceeds from the issue of the Bonds to support the construction and development of overseas copper mining projects.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the Group's consolidated capitalisation and indebtedness as at 30 June 2026 and adjusted to give effect to the issue of the Bonds before deducting the fees and commissions and other estimated expenses payable in connection with the Offering. The following table should be read in conjunction with the Group's consolidated financial information and related notes included elsewhere in this Offering Circular.

	As at 30 June 2026	
	Actual	**As adjusted**
	US$'000	*US$'000*
Bank and other borrowings	10,565	10,565
Bonds to be issued[(1)]	–	301,500
Total indebtedness[(2)]	10,565	312,065
Total equity	3,873,347	3,873,347
Total capitalisation[(3)]	3,883,912	4,185,412

Notes:

(1) For illustrative purposes, the amount of the Bonds to be issued equals gross proceeds in the aggregate principal amount of U.S.$300,000,000 with the issue price of 100.5% (before deducting the fees and commissions and other estimated expenses payable in connection with the Offering) and is assumed to be recorded as borrowings as at the Issue Date and does not take into account the accounting implications under relevant accounting standards and of the related transaction costs.

(2) Total indebtedness equals to the aggregate of bank and other borrowings and bonds to be issued.

(3) Total capitalisation equals the aggregate of total indebtedness and total equity.

(4) The table does not give effect to the interim dividend of US¢1.1113 per Share declared on 21 August 2026 and expected to be paid on 17 September 2026.

Except as disclosed elsewhere in this Offering Circular, there has been no material change in the Group's capitalisation and indebtedness since 30 June 2026.

CORPORATE STRUCTURE

The following table summarizes the shareholding structure of the Group as at the date of this Offering Circular.

	Substantial shareholder	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholdings
1.	CNMD[1]	Registered owner	2,600,000,000	66.63%
2.	CNMC	Interest in a controlled corporation	2,600,000,000	66.63%

The following table summarizes the subsidiaries of the Company as at the date of this Offering Circular.

	Name of subsidiary	Place of establishment/ incorporation and business	Particulars of registered/ issued and paid-up capital	Proportion of ownership interest			Principal activities
				The Group's effective Interest	Held by the Company	Held by subsidiaries	
1.	CNMH	Ireland	Euro171,152,002	100%	100%	–	Investment holding
2.	CNMHK	Hong Kong	US$48,000,000	70%	70%	–	Investment holding
3.	CNMHKI	Hong Kong	US$20,000	100%	100%	–	Investment holding
4.	NFCA	Zambia	US$9,000,001	85%	–	85%	Exploration and mining of copper and production of copper concentrates
5.	CCS	Zambia	US$2,000	60%	–	60%	Production and sale of blister copper and copper anodes, copper-cobalt alloy and sulphuric acid
6.	SML[2]	Zambia	US$1,000	67.75%	–	55% and 15%	Production and sale of copper cathodes
7.	Luanshya	Zambia	US$10,000,001	80%	–	80%	Exploration and mining of copper and production of copper concentrates and copper cathodes
8.	Huachin Metal Leach SA	DRC	US$10,000,000	43.75%	–	62.50%	Production and sale of copper cathodes
9.	CHM	DRC	US$10,000,000	39.90%	–	57%	Production and sale of copper cathodes

	Name of subsidiary	Place of establishment/ incorporation and business	Particulars of registered/ issued and paid-up capital	Proportion of ownership interest			Principal activities
				The Group's effective Interest	Held by the Company	Held by subsidiaries	
10.	Sylver Back Resources SARL	DRC	CDF717,005,314	39.90%	–	95%	Exploration and mining of copper
11.	Lualaba Copper Smelter	DRC	US$20,000	57%	–	57%	Production and sale of blister copper and sulphuric acid
12.	Kambove Mining SAS	DRC	CDF14,000,000	55%	–	55%	Exploration and mining of copper and production of copper concentrates
13.	Kingsail Limited	Hong Kong and Zambia	HK$10,000	60%	–	60%	Sale of copper cathodes and copper concentrates
14.	CNMC Congo Luano Mining SASU	DRC	US$10,000	70%	–	100%	Production and sale of copper cathodes
15.	BENKALA (SINGAPORE) HOLDING PTE. LTD[4]	Singapore	SGD10,000	100%	100%	–	Investment holding
16.	SM Minerals Ltd.	Kazakhstan	US$11,764.8	70%	70%	–	Development of the Benkala copper mining project

[1] CNMD is a wholly-owned subsidiary of CNMC and therefore, by virtue of the SFO, CNMC is deemed or taken to be interested in all the shares which are owned by CNMD.

[2] 55% and 15% of the issued and paid-up ordinary share capital of SML are directly held by CNMH and NFCA.

[3] In March 2025, the Company established a wholly-owned subsidiary in Singapore.

OVERVIEW

The Group is a leading, fast-growing and vertically integrated international copper producer, focusing on the mining, ore-processing, leaching, smelting and sale of copper and cobalt. The Company is incorporated in Hong Kong and listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1258). Over more than two decades of dedicated operations, the Group has progressively established a comprehensive copper and cobalt industrial chain with operational headquarters and extensive operating assets strategically located in Zambia, the DRC, and Kazakhstan.

The Company's controlling shareholder is CNMC, a PRC state-owned enterprise directly administered by the SASAC, which indirectly owns approximately 66.63% of the Company's shares. The Group serves as CNMC's premier overseas platform for the development of copper and cobalt resources, benefiting from strong shareholder backing, technical expertise, and unique insights into global commodity demand.

The Group operates a diversified and expanding portfolio of operating assets, comprising multiple producing copper mines alongside various processing, leaching, and smelting facilities. The businesses of the Group are carried out mainly through the following companies: NFC Africa Mining PLC ("**NFCA**"), CNMC Luanshya Copper Mines PLC ("**Luanshya**"), Chambishi Copper Smelter Limited ("**CCS**") and SML located in Zambia, Huachin Metal Leach SA ("**Huachin Leach**"), CNMC Huachin Mabende Mining SA ("**CNMC Huachin Mabende**"), Lualaba Copper Smelter, Kambove Mining SAS ("**Kambove Mining**") located in the DRC, as well as SM Minerals Ltd. ("**SM Minerals**") located in Kazakhstan.

The Group boasts a strong resource base and a substantial workforce. As at 31 December 2025, in accordance with the JORC reporting standards, the Group's total mineral resources contained copper resources of approximately 7.1826 million tonnes, and copper metal reserves of approximately 1.6894 million tonnes. As at 30 June 2026, the Group employed a total of 9,005 employees, comprising 939 Chinese employees and 8,066 local employees in Zambia, the DRC and Kazakhstan. Furthermore, to ensure sustainable growth, the Group has additional development and expansion projects underway, including the new mine project of Luanshya, the Chambishi Southeast Mine Phase II and the Kambove Minsesa Mine.

Driven by its vertically integrated business model, the Group maintains strong production capabilities. For the year ended 31 December 2025, the Group recorded total copper output of approximately 549,600 tonnes, alongside 829 tonnes of cobalt and over 1.06 million tonnes of sulphuric acid (a key by-product). This robust operational momentum continued into the first half of 2026. For the six months ended 30 June 2026, the Group accumulatively produced 93,669 tonnes of blister copper and copper anodes, 73,723 tonnes of copper cathodes, 115 tonnes of cobalt, and 469,122 tonnes of sulphuric acid, while also providing substantial copper processing services to third-party enterprises.

Financially, the Group has maintained a stable operating performance. For the year ended 31 December 2025, the Group recorded total revenue of US$3,420.1 million and a net profit of US$583.2 million. For the six months ended 30 June 2026, the Group generated total revenue of US$2,261.1 million, and its net profit amounted to US$622.8 million, which exceeded the full-year net profit of 2025. In addition, the Group maintains a stable liquidity position, with cash and cash equivalents of US$2,016.6 million and a net cash position of approximately US$2,007.9 million as at 30 June 2026, providing capital resources for its ongoing operations and business development.

COMPETITIVE STRENGTHS

World-Leading Copper Producer with Substantial Resource Reserves, Backed by the Strong Support of CNMC

The Group is one of the world's leading vertically integrated copper producers and serves as the sole overseas flagship listed company and the core overseas copper and cobalt resource development platform of CNMC. As a central state-owned enterprise under the direct supervision of SASAC, CNMC provides the Group with continuous and comprehensive strategic guidance as well as robust support in financing, resource acquisition, and technological advancement.

The Group commands a substantial and high-quality mineral resource base, featuring extensive copper and cobalt reserves and resources (excluding certain projects currently undergoing resource verification, such as the Benkala project and the NFCA Chambishi Southeast Mine Phase II and Phase III). Supported by these abundant resources and optimal design arrangements, the Group's principal mining operations (including NFCA, Luanshya, Kambove, and Benkala possess extended estimated remaining mine lives capable of sustaining long-term production. Furthermore, the Group retains meaningful additional resource potential through ongoing deep and peripheral exploration.

Since entering Zambia in 1998 to develop the Chambishi copper mine, the Group has stood as one of the earliest Chinese mining enterprises to implement the "Going Global" initiative. Over more than two decades of dedicated operations, it has progressively established a comprehensive copper and cobalt resource development footprint and a fully integrated industrial chain across Central and Southern Africa. In 2025, the Group achieved a significant strategic milestone by successfully extending its platform into Kazakhstan, marking its evolution into a globally diversified copper resource enterprise. Supported by this expansive network, the Group achieved robust comprehensive copper output in 2025, with a substantial contribution driven by its own-mine production. Upon the completion of projects currently under construction, the Group's own-mine copper production capacity is expected to expand significantly.

Vertically Integrated Copper-Cobalt Producer with a Diversified and Resilient Business Model

The Group has established a complete, integrated value chain spanning exploration, mining, mineral processing, pyrometallurgical smelting, hydrometallurgical smelting, and sales, operated through multiple project companies across Zambia, the DRC, and Kazakhstan. The integration of pyrometallurgical and hydrometallurgical processes generates significant operational synergies: sulphuric acid produced as a by-product of pyrometallurgical smelting is internally recycled for use in hydrometallurgical operations, enhancing cost efficiency and contributing to earnings stability.

The Group's pyrometallurgical smelting capacity represents a scarce and strategically valuable asset in Central and Southern Africa. With smelting operations in both Zambia and the DRC, the Group constitutes a leading independent smelting cluster in the region. By comparison with domestic Chinese smelters, the relative scarcity of regional smelting capacity enables the Group to benefit from meaningful freight participation and higher sulphuric acid margins.

The Group's diversified earnings structure provides effective resilience against copper price volatility and cyclical risks. By maintaining a balanced portfolio across mining and smelting operations, and capturing diverse revenue streams from copper, cobalt, and commercial multi-metal by-products such as sulphuric acid, the Group is well-positioned to mitigate market-driven commodity price fluctuations. This multi-product and integrated operational profile ensures robust cash flow generation and enhances overall financial stability across different macroeconomic cycles.

Strong Technical Capabilities, Continuous Project Development Competency, and an Abundant Project Pipeline

The Group has developed distinctive core technical competencies in the rehabilitation of historically dormant or abandoned mines and counter-cyclical asset acquisitions, enabling it to acquire quality mineral rights at low cost and create substantial value through continuous development. These capabilities have been demonstrated through multiple successful operational turnarounds — including at Chambishi, Luanshya, Kambove and Benkala — and constitute competitive barriers that would be difficult for new market entrants to replicate.

Representative examples of the Group's demonstrated experience include: (i) Chambishi Copper Mine, acquired in 1998 as an abandoned mine from a British operator, which, following technical transformation, has consistently delivered robust gross margins; (ii) Luanshya Copper Mine, acquired in 2009 following prior closures and which now operates with a substantial annual cathode copper production capacity; and (iii) the Kambove mining area, which had been dormant for several decades and which has since delivered a rapid output ramp-up following recommissioning.

The Group currently advances a robust pipeline of construction projects. Upon reaching full production, these assets are expected to significantly augment the Group's aggregate annual copper concentrate capacity:

- *Luanshya No. 28 Shaft (main orebody)*: a high-quality mine endowed with abundant copper resources. Operations are currently being restored, which is expected to yield a substantial annual output of copper concentrate at full capacity;

- *Kambove Msesa Orebody*: a high-grade open-pit asset featuring sizeable copper reserves and robust projected annual production;

- *Chambishi Southeast Orebody Expansion*: representing a further extension of the Chambishi Southeast orebody. The ongoing Phase II and Phase III developments encompass extensive resources and are anticipated to deliver substantial production volumes;

- *Samba Orebody*: designed for large-scale ore processing, this project is well-positioned to provide a meaningful boost to the Group's annual copper concentrate output; and

- *Benkala Orebody*: a resource-rich open-pit development poised to contribute significantly to the Group's overall production profile upon completion.

Overseas Flagship of CNMC with Strong Institutional Support and a Deep Local Operational Presence

CNMC is one of the 100 central state-owned enterprises under the direct supervision of SASAC. As CNMC's sole overseas listed platform, the Group benefits from CNMC's substantial resources and its central state-owned enterprise background, receiving significant and ongoing strategic support in areas including government relations, resource acquisition, and access to low-cost financing.

With nearly three decades of operational history in Zambia and over a decade in the DRC, the Group stands as one of the earliest Chinese mining enterprises to enter the Zambian copper industry. Consequently, it has been integrated into the national copper capacity expansion plans of both host countries. Furthermore, by capitalising on CNMC's established industrial footprint in Kazakhstan, the Group successfully expanded into Central Asia in 2025, significantly broadening its resource horizons.

The Group has established strong relationships of trust with the governments, national mining companies, and local communities of its host countries, and has received support at the highest governmental levels, including from heads of state, on multiple occasions. Through sustained participation in local economic development initiatives and community programmes, the Group has earned broad recognition from local governments and communities, providing an important foundation for its long-term and sustainable operations. Demonstrating its dedication to localization, the vast majority of the Group's workforce consists of African nationals, maintaining an industry-leading localization rate.

Conservative Financial Policy with Low Leverage, Strong Cash Generation, and a Consistent Track Record of Shareholder Returns

The Group maintains a highly conservative financial policy, with leverage levels significantly below industry averages. Interest-bearing debt has declined materially in recent years, from approximately US$177.0 million in 2023 to approximately US$30.0 million in 2024 and approximately US$25.0 million in 2025, and further decreased to approximately US$10.6 million as at 30 June 2026. The Group's asset-to-liability ratio has been maintained at low levels, declining from 34.9% in 2023 to 27.1% in 2024 and standing at 29.0% in 2025, and 32.7% as at 30 June 2026 with such ratio determined by dividing total liabilities by total assets as at the end of each respective year.

The Group boasts strong liquidity and robust cash generation capabilities. Cash and cash equivalents further increased to approximately US$2,016.6 million as at 30 June 2026, compared to US$1,476.2 million as at 31 December 2025. For the six months ended 30 June 2026, net cash generated from operating activities amounted to approximately US$1,042.8 million, representing a substantial period-over-period increase of 98.3%. This robust cash generation underpins the Group's financial capacity to pursue project development, potential acquisitions, and ongoing shareholder distributions.

The Group has maintained a consistently high dividend payout ratio for multiple consecutive years; in line with this commitment, the Board proposed the payment of a robust final dividend for the year ended 31 December 2025, with a dividend yield that ranks among the higher levels within the Hong Kong-listed copper and non-ferrous metals peer group. The combination of a low leverage profile and abundant cash resources provides a strong financial buffer, underpinning the Group's industry-leading resilience against cyclical risk whilst continuing to deliver attractive returns to shareholders.

Experienced Management Team with Deep Full Value Chain Expertise and Strong On-the-Ground Execution

The Group's core management team possesses deep expertise across the full copper value chain, spanning geological exploration, mine design, mining, mineral processing, smelting, and sales. Members of the management team have generally accumulated in excess of 15 years of industry experience, with a number of senior executives having over 30 years of experience in the sector.

The majority of the Group's senior management have been stationed in Zambia and the DRC for extended periods, combining an international perspective with in-depth local operational knowledge. This long-term physical presence enables efficient decision-making and strong operational control in complex overseas environments.

Combined with the Group's highly localised workforce, where the vast majority of personnel are local nationals primarily from Zambia and the DRC, the Group has developed on-the-ground execution capabilities that represent a significant and durable competitive advantage which would be difficult for new market entrants to replicate.

Leading ESG Practices Fully Integrated into the Group's Sustainable Development Strategy

The Group has fully embedded ESG principles into its production and operational activities, and has established a Board-led ESG governance framework supported by comprehensive compliance and risk management systems. The Group recorded no commercial ethics incidents during the year under review.

In respect of environmental stewardship, the Group discloses greenhouse gas emissions data in accordance with applicable reporting standards and is actively advancing clean energy adoption across its operations. The Group operates a pioneering green micro-grid mining demonstration project (comprising advanced photovoltaic and solar-storage microgrid facilities), and four of its subsidiaries have obtained ISO 14001 Environmental Management System certification. In respect of occupational health and safety, six subsidiaries have obtained ISO 45001 Occupational Health and Safety Management System certification, and four subsidiaries have obtained ISO 9001 Quality Management System certification.

The Group's employment and community investment practices reflect its deep commitment to the communities in which it operates. Through inclusive hiring practices, continuous employee capacity building, and sustained community investment programmes spanning education, healthcare, and infrastructure, the Group actively contributes to regional prosperity. Its responsible sourcing practices and contributions to local economic and social development have earned broad recognition from host governments and local communities, further reinforcing the Group's operational licences and long-term sustainability in its core markets.

STRATEGIES

The Group's overarching strategic objective is to build a world-class international copper producer through the pursuit of high-quality and sustainable development. To achieve this objective, the Group intends to focus on the following key strategic initiatives:

Continue to expand the Group's resource base through both organic exploration and selective counter-cyclical acquisitions

The Group considers a high-quality resource base to be the foundation of its long-term competitiveness. The Group intends to continue to expand its mineral resources and ore reserves through a combination of (i) systematic deep and peripheral exploration around its existing core mining areas in Zambia and the DRC and (ii) selective acquisitions of high-quality copper and cobalt assets globally, with a particular focus on resource-rich jurisdictions in Central and Southern Africa, Central Asia and other regions where the Group's controlling shareholder, CNMC, has an established industrial presence. The Group has a proven track record of reviving dormant mines and successfully integrating acquired assets, as demonstrated by its operations at Chambishi, Luanshya, Kambove, and most recently, the completion of the acquisition of SM Minerals Ltd. (owner of the Benkala copper project in Kazakhstan) in the first half of 2026. Leveraging this expertise, the Group plans to continue acquiring quality mineral rights at favorable costs and generating value through subsequent development. In parallel, the Group will continue to advance its annual exploration programmes at NFCA, Luanshya, SML and Kambove Mining in order to upgrade resource categories, replace depletion and identify additional mineralisation in the deep and peripheral areas of its principal mining districts.

Accelerate the development and ramp-up of key construction projects to expand production capacity

The Group has a rich pipeline of projects under construction which, in aggregate, are expected to add substantial incremental annual copper metal production capacity (on a contained-copper basis) upon reaching full production. The Group intends to focus its execution efforts on the timely and orderly development of these projects, including in particular: (i) the New Mine Deep Part Project (Extended Section of Roan to Southern Deep Part of Muliashi Mine) and the New Mine Superficial Part Project at Luanshya; (ii) the Chambishi Southeast Mine Phase II and Phase III expansion projects at NFCA; (iii) the Samba Copper Mining Project and the Mwambashi-B Copper Mine Deep Part Ore Body Phase II Open Pit Project at SML; (iv) the MSESA Mine Rehabilitation Project; and (v) the ongoing development and construction of the Benkala copper project in Kazakhstan following the completion of its acquisition. Upon completion of the projects currently under construction, own-mine copper production capacity is expected to expand significantly, elevating the Group's overall operational scale to a new level. The Group will continue to address operational bottlenecks in power supply and logistics, including through the deployment of dual power supply systems, photovoltaic generation and energy storage solutions, in order to safeguard production continuity and support capacity expansion.

Continue to drive cost reduction, efficiency enhancement and operational excellence across the value chain

Leveraging its vertically integrated business model spanning exploration, mining, mineral processing, hydrometallurgical leaching and pyrometallurgical smelting, the Group intends to continue to capture operational synergies across its value chain — including in particular the internal recycling of sulphuric acid produced as a by-product of pyrometallurgical smelting for use in hydrometallurgical operations — and to further enhance unit cost efficiency, recovery rates and product quality. The Group intends to continue to deepen lean management and refined cost control across all operating subsidiaries, building on initiatives such as Luanshya's achievement of a 100% proportion of Grade A copper cathodes in 2025, Kambove Mining's successful brand listing and LME delivery brand approval, and the overall optimisation of the Kambove leaching processing system. The Group will also continue to strengthen its marketing strategy through a combination of long-term and short-term orders together with prudent hedging activities, in order to optimise its commercial returns and mitigate commodity price volatility.

Leverage technological innovation and digitalisation to empower industrial transformation and upgrading

The Group intends to continue to invest in technological innovation and the development of "new productive forces", with a particular focus on the construction of intelligent mines and green smelters. The Group will continue to advance technological upgrades to its existing operations, deepen the application of automation and digitalisation in mining, ore-processing and smelting, and enhance resource recovery rates and process efficiency. The Group will also continue to develop its in-house technical capabilities in the rehabilitation of historically dormant or abandoned mines and in the integration of pyrometallurgical and hydrometallurgical processes, which the Group considers to constitute meaningful competitive barriers that would be difficult for new market entrants to replicate.

Maintain a prudent and conservative financial policy and continue to deliver attractive shareholder returns

The Group intends to continue executing its highly conservative financial policy, with leverage levels significantly below industry averages, and to preserve sufficient financial flexibility to fund organic project development, potential acquisitions and ongoing shareholder distributions. Building on its robust financial foundation and strong net cash position, the Group intends to continue to optimise its capital management, deepen investor relations management, and adhere to a high dividend payout policy. Committed to ensuring sustainable returns for its investors, the Group plans to maintain its established track record of a 40% dividend payout ratio in the future. Through the combination of solid operating performance, sustainable dividend returns and continued enhancement of market capitalisation management, particularly by capitalising on the Group's first-time inclusion in the MSCI China Index in November 2024, the Group seeks to safeguard the core interests of shareholders and to consolidate its reputation as a high-quality listing platform.

Further strengthen the Group's ESG framework and deepen integration with host countries and local communities

Building upon its established Board-led governance framework, the Group intends to continuously elevate its sustainable development strategy and ensure that ESG principles are deeply ingrained in all future expansions. In respect of environmental stewardship, the Group plans to scale up its clean energy initiatives and optimise the standardised management of greenhouse gas emissions, driving the transition towards low-carbon mining operations. In respect of occupational health and safety, the Group will steadfastly uphold the bottom line of safe production and compliance, proactively expanding its internationally recognised management system certifications across all operating subsidiaries.

To deepen integration with host countries, the Group will persistently implement targeted community development programmes and maintain its strong commitment to a highly localised workforce. By fostering these long-standing relationships of mutual trust with governments, national mining companies, and local communities, the Group aims to further reinforce its operational licences and ensure the long-term sustainability of its core markets.

Strengthen compliance, risk control and overseas operation management

The Group operates in a number of overseas jurisdictions and is subject to a wide range of legal, regulatory, geopolitical, currency and operational risks. The Group intends to continue to strengthen its compliance and risk management framework — overseen by the Audit Committee and the Compliance Committee at Board level — and to enhance its capabilities in overseas operation management, including in respect of host country policy adjustments, exchange rate volatility, supply chain resilience and security risk management.

Building upon its profound local expertise and established operational base in its core markets, the Group is committed to further refining its dynamic risk response mechanisms. By continuously upgrading these systems, the Group aims to safeguard its global assets, ensure robust operational continuity, and maintain agile, effective decision-making amidst an increasingly complex international landscape.

HISTORY

Since the acquisition of the Chambishi copper mine in Zambia, the Group has developed into a leading vertically integrated copper producer. With multiple mines and smelters in Zambia and the DRC, the Group has formed an enterprise cluster covering the entire industry chain of mining, ore-processing and smelting, and successfully expanded its footprint into Kazakhstan between 2025 and 2026.

The following table sets out certain key corporate historical events and milestones during the Group's development and since its establishment:

Year	Milestone
1998	Acquired the Chambishi copper mine and established NFCA, becoming one of the earliest Chinese enterprise to enter the Zambian copper industry.
2004	Established the Chambishi Leach Plant.
2006	Established Chambishi Copper Smelter, launching the pyrometallurgical smelting business.
2009	Acquired Luanshya, expanding the mining footprint in Zambia.
2010	Established CNMC Huachin Leach, officially entering the DRC.
2012	Established CNMC Huachin Mabende.
2017	Established Kambove Mining and Lualaba Copper Smelter, expanding the business footprint in the DRC.
2020	The Chambishi South East Mine and Lualaba Copper Smelter successively commenced production.
2021	The leaching project of the Kambove main orebody commenced production.
2023	Commenced preliminary works for the Kambove Mensesa and Luanshya new mine projects.
2025–2026	Acquired a 70% equity interest in the Benkala copper project in Kazakhstan, expanding the resource footprint into Central Asia.

THE GROUP'S BUSINESS

The Group's activities encompass exploration, mine development, ore extraction, on-site processing, hydrometallurgical leaching, pyrometallurgical smelting and worldwide marketing of copper products, with copper as its core commodity and additional exposure to cobalt, sulphuric acid and liquid sulphur dioxide.

The Group's operations comprise mines, processing plants, leaching facilities and smelters located in Zambia and the DRC. The following table sets forth the sales volume, average selling price and revenue generated by each product category of the Group for the years indicated.

	For the year ended 31 December								
	2023			2024			2025		
	Sales Volume [1]	Average Selling Price	Revenue	Sales Volume [1]	Average Selling Price	Revenue	Sales Volume [1]	Average Selling Price	Revenue
	(tonnes)	*(US$ per tonne)*	*(US$'000)*	*(tonnes)*	*(US$ per tonne)*	*(US$'000)*	*(tonnes)*	*(US$ per tonne)*	*(US$'000)*
Blister copper and copper anodes	284,784	7,796	2,220,190	286,753	8,551	2,452,132	191,668	9,395	1,800,695
Copper cathodes	140,454	7,649	1,074,269	130,621	8,235	1,075,635	133,815	9,020	1,207,037
Cobalt contained in cobalt hydroxide	1,256	11,929	14,985	633	7,256	4,596	–	–	–
Sulphuric acid	736,183	288	212,264	817,866	204	166,961	761,967	282	215,102
Liquid sulphur dioxide	12,160	894	10,874	16,221	807	13,092	5,326	1,007	5,365
Copper products processing services	89,874	822	73,839	111,042	937	104,056	226,358	848	191,860
Total	**1,264,711**		**3,606,421**	**1,363,136**		**3,816,472**	**1,319,134**		**3,420,059**

Notes:

(1) The sales volumes of blister copper and copper anodes and copper cathodes are on a contained-copper basis.

(2) The copper products processing services refer to the processing and production of copper products by the Group's smelters as entrusted by enterprises outside of the Group, and the Group receives processing fees from these enterprises.

The following table sets forth sales volume, average selling price, revenue and percentage contribution to total revenue of the Group's products and services for the periods indicated.

	For the six months ended 30 June					
	2026			2025		
	Sales Volume[1]	Average Selling Price	Revenue	Sales Volume[1]	Average Selling Price	Revenue
	(Tonnes)	*(US$ per tonne)*	*(US$'000)*	*(Tonnes)*	*(US$ per tonne)*	*(US$'000)*
Blister copper and copper anodes	97,864	11,932	1,167,682	109,308	8,776	959,277
Copper cathodes	70,969	11,993	851,106	70,525	8,673	611,635
Sulfuric acid	349,533	370	129,341	387,982	225	87,259
Liquid sulphur dioxide	4,712	1,030	4,853	990	686	680
Cobalt contained in cobaltous hydroxide	304	51,602	15,688	–	–	–
Bismuth contained in bismuth oxychloride	119	14,996	1,786	–	–	–
Copper product processing services[2]	88,398	1,025	90,630	102,479	904	92,682
Total	**611,899**		**2,261,086**	**671,284**		**1,751,533**

Notes:

(1) The sales volumes of the products of blister copper and copper anodes and copper cathodes are on a contained-copper basis.

(2) The copper product processing services refer to the processing and production of copper products by the Group's smelters as entrusted by the external enterprises and the Group receives processing fees from these enterprises.

The following table sets forth the production volume of the Group's products for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Blister copper and copper anodes	285,733	285,930	192,266	111,283	93,669
Copper cathodes	142,423	126,141	130,232	72,192	73,723
Cobalt contained in cobalt hydroxide	1,520	1,010	829	481	115
Sulphuric acid	955,360	1,056,035	1,068,286	538,433	469,122
Liquid sulphur dioxide	11,971	15,993	5,337	1,466	4,694
Bismuth contained in bismuth oxychloride	–	–	–	–	119
Copper products processing services	89,843	111,901	227,060	102,708	90,623
Total	**1,486,850**	**1,597,010**	**1,624,010**	**826,563**	**732,065**

Notes:

(1) The production of all products is based on the copper content, except for sulphuric acid, liquid sulphur dioxide, and cobalt hydroxide.

(2) Copper product processing services refer to the processing and production of copper products made by the smelters of the Group under the entrust of enterprises outside of the Group, and the Group earns processing fees from these enterprises.

Among the above copper products, the production volume of copper sourced from the Group's self-owned mines is as follows:

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Blister copper and copper anodes produced from self-owned mines	87,696	77,668	60,686	42,053	35,803
Copper cathodes produced from self-owned mines	81,652	81,491	82,458	43,153	46,228
Total	**169,348**	**159,159**	**143,144**	**85,206**	**82,031**

The following table sets forth the cost of sales, unit cost of sales, gross profits and gross profit margins of the products of the Group for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
	Cost of sales	Unit cost of sales	Gross profit	Gross profit margin	Cost of sales	Unit cost of sales	Gross profit	Gross profit margin	Cost of sales	Unit cost of sales	Gross profit	Gross profit margin
	(US$'000)	*(US$ per tonne)*	*(US$'000)*	*(%)*	*(US$'000)*	*(US$ per tonne)*	*(US$'000)*	*(%)*	*(US$'000)*	*(US$ per tonne)*	*(US$'000)*	*(%)*
Blister copper and copper anodes	1,934,027	6,791	286,163	12.9	2,043,490	7,126	408,642	16.7	1,580,973	8,248	219,722	12.2
Copper cathodes	633,663	4,512	440,607	41	575,326	4,405	500,309	46.5	630,384	4,711	576,653	47.8
Cobalt contained in cobalt hydroxides	34,109	27,152	(19,124)	(127.6)	12,894	20,357	(8,298)	(180.6)	1,903	–	(1,903)	–
Sulphuric acid	75,772	103	136,492	64.3	66,280	81	100,681	60.3	57,085	75	158,017	73.5
Liquid sulphur dioxide	7,483	615	3,391	31.2	6,598	407	6,494	49.6	2,599	488	2,766	51.6
Copper products processing services	43,909	489	29,929	40.5	62,737	565	41,319	39.7	84,577	374	107,283	55.9
Total	**2,728,963**		**877,458**	**24.3**	**2,767,325**		**1,049,147**	**27.5**	**2,357,521**		**1,062,538**	**31.1**

The following table sets forth the cost of sales, unit cost of sales, gross profit and gross profit margin of the products and services of the Group for the periods indicated.

	For the six months ended 30 June							
	2026				2025			
	Cost of Sales	Unit Cost of Sales	Gross Profit	Gross Profit Margin	Cost of Sales	Unit Cost of Sales	Gross Profit	Gross Profit Margin
	(US$'000)	*(US$ per tonne)*	*(US$'000)*	*(%)*	*(US$'000)*	*(US$ per tonne)*	*(US$'000)*	*(%)*
Blister copper and copper anodes	869,826	8,888	297,856	25.5	778,475	7,122	180,802	18.9
Copper cathodes	352,257	4,964	498,849	58.6	331,375	4,699	280,260	45.8
Sulfuric acid	23,853	68	105,488	81.6	32,461	84	54,798	62.8
Liquid sulphur dioxide	2,422	514	2,431	50.1	792	800	(112)	(16.6)
Cobalt contained in cobaltous hydroxide[2]	6,893	22,674	8,795	56.1	1,968	–	(1,968)	–
Bismuth contained in bismuth oxychloride	1,615	13,563	171	9.6	–	–	–	–
Copper product processing services[1]	45,497	515	45,133	49.8	36,195	353	56,487	61.0
Total	**1,302,363**		**958,723**	**42.4**	**1,181,266**		**570,267**	**32.6**

Notes:

(1) The copper product processing services refer to the processing and production of copper products by the Group's smelters as entrusted by the external enterprises and the Group receives processing fees from these enterprises.

(2) The cost of sales of cobalt contained in cobaltous hydroxide in the first half of 2025 represents impairment provision of inventories.

OPERATING MINES AND PRODUCTION FACILITIES

Set forth below is certain information of the principal operating mines and production facilities of the Group as at the dates indicated.

NFCA

NFCA mainly operates three underground mines, namely the Chambishi Main Mine, the Chambishi West Mine and the Chambishi Southeast Mine, located in the Chambishi mining area of Zambia, together with an ancillary processing plant. The Group holds an 85% equity interest in NFCA, with the remaining 15% held by ZCCM-IH.

The following table sets out the production volume of NFCA for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Copper anodes	76,539	68,191	55,464	38,730	34,635

For the six months ended 30 June 2026, Chambishi Main Mine, Chambishi West Mine and Chambishi Southeast Mine produced 34,635 tonnes of copper anodes, representing a decrease of 10.6% from the same period in 2025, of which: Chambishi Main and West Mine produced 10,865 tonnes of copper anodes and Chambishi Southeast Mine produced 23,770 tonnes of copper anodes. The decrease in copper anodes output was primarily due to a period-over-period decrease in outsourced processing volumes at the beginning of the year and an unplanned nine day production stoppage during the 2026 Lunar New Year period.

For the year ended 31 December 2025, copper anode production was 55,464 tonnes, decreased by 18.7% from 68,191 tonnes in 2024, primarily driven by the suspension of production for maintenance at the Chambishi Southeast Mine in the second half of 2025. In June 2025, an object falling incident occurred at the shaft of the Southeast Ore Body of NFCA Chambishi Mine, resulting in the fatality of a subcontractor's employee. Following the incident, NFCA immediately and voluntarily suspended the operations of the shaft and engaged external experts to carry out safety assessment and inspection. To address safety hazards and ensure long-term operation safety of the Southeast Ore Body, NFCA undertook systematic rehabilitation and remediation of the shafts, including reinforcement of the damaged sections of both the main and auxiliary shafts, and prepared graded restoration plans tailored to the extent of the damage. The rehabilitation and remediation works have been completed and have passed a dedicated assessment for compliance with technical standards and safety requirements. Upon implementing the required corrective measures and ensuring all local regulatory requirements were met, the Southeast Ore Body of NFCA Chambishi Mine resumed operations on 1 January 2026.

For the year ended 31 December 2024, copper anode production was 68,191 tonnes, decreased by 10.9% from 76,539 tonnes in 2023, primarily driven by (i) a decrease in anode copper returned by CCS from the previous year, and (ii) a year-on-year decrease in self-produced copper concentrate.

Chambishi Main Mine

Situated at the northeast edge of the Chambishi Basin, the Chambishi Main Mine is located north of Lusaka and northwest of Kitwe. The mine's mineralized body extends more than 2,280 meters from east to west, with an average thickness of 8 meters. The deposit predominantly contains sulphide ores, with ore minerals being mostly bornite and chalcopyrite. The Chambishi Main Mine is an underground mine accessed by back-fill mining using trackless equipment. Production at the Chambishi Main Mine recommenced in 2003 following reconstruction works by NFCA. In 2025, approximately 39,900 tonnes of ore were extracted, and supplementary exploration was carried out.

The following table sets out the details of the mineral resources of Chambishi Main Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Measured	9.8	2.28	–	–	9.77	2.29	–	–	10.5	2.31	–	–
Indicated.....	7.26	2.47	–	–	7.26	2.48	–	–	6.77	2.48	–	–
Inferred.....	6.67	2.18	–	–	6.66	2.18	–	–	6.32	2.18	–	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% Total Copper ("**TCu**") cut-off grade adopted for Chambishi Main Mine.

The following table sets out the details of the mineral reserves of Chambishi Main Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved	6.08	1.75	–	–	6.06	1.75	–	–	5.13	1.8	–	–
Probable	1.60	1.72	–	–	1.59	1.72	–	–	1.06	1.85	–	–

Chambishi West Mine

The Chambishi West Mine is situated to the west of the Chambishi Main Mine, at the northwest edge of the Chambishi Basin. The deposit contains both mixed ores and sulphide ores. The Chambishi West Mine is an underground mine accessed by vertical shafts, employing the cut-and-fill extraction method. Mining at the Chambishi West Mine commenced in November 2010. In 2025, approximately 1,677,300 tonnes of ore were extracted, and supplementary exploration was carried out. The Group is making steady progress in the development of the Chambishi Southeast Mine Phase II, which is expected to further expand the production capacity.

The following table sets out the details of the mineral resources of Chambishi West Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*		
Oxide ore												
Measured	3.64	2.03	1.00	–	3.64	2.03	1.00	–	6.2	1.98	–	–
Indicated	1.46	1.83	0.96	–	1.46	1.83	0.96	–	1.69	1.94	–	–
Inferred	1.45	2.32	1.10	–	1.45	2.32	1.10	–	0.33	1.73	–	–
Sulphide ore												
Measured	14.44	1.99	–	–	17.3	2.00	–	–	16.83	1.97	–	–
Indicated	4.50	2.15	–	–	5.19	2.16	–	–	4.41	2.06	–	–
Inferred	6.59	1.89	–	–	8.4	1.86	–	–	7.89	1.79	–	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% TCu cut-off grade adopted for Chambishi Main Mine.

The following table sets out the details of the mineral reserves of Chambishi West Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved	9.59	1.70	–	–	11.74	1.70	–	–	9.95	1.88	–	–
Probable	1.09	1.81	–	–	1.43	1.84	–	–	0.64	2.00	–	–

Chambishi Southeast Mine

Situated on the northeast edge of the Chambishi Basin, the Chambishi Southeast Mine is located southeast of the Chambishi Main Mine. Copper is the primary economic mineral of the deposit, with associated cobalt mineralisation. The Chambishi Southeast Mine is an underground mine, developed and operated utilizing a shaft development and hoisting system. In 2025, approximately 1,320,700 tonnes of ore were extracted, and supplementary exploration was carried out.

The following table sets out the details of the mineral resources of Chambishi Southeast Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*
Measured	38.72	2.24	–	0.12	40.23	2.27	–	0.11	40.91	2.25	–	0.12
Indicated	28.33	1.92	–	0.12	26.47	1.89	–	0.12	20.6	1.78	–	0.11
Inferred	57.79	1.74	–	0.08	57.50	1.74	–	0.08	61.21	1.89	–	0.11

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.8% TCu cut-off grade adopted for Chambishi Southeast Mine.

The following table sets out the details of the mineral resources of Chambishi Southeast Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved	37.34	1.90	–	0.10	38.42	1.92	–	0.10	37.51	1.97	–	0.10
Probable	8.04	1.71	–	0.08	6.20	1.61	–	0.08	5.79	1.66	–	0.08

Luanshya

Luanshya operates five copper mines, namely Baluba East Mine, Baluba Center Mine, Roan Ext. East Mine, Roan Basin Mine 19-35 Ore Vein South Side, Luanshya New Mine (including Southern Superficial Part of Muliashi Sulphide Mine and Shaft 28 Deep Part Sulphide Mine), respectively, as well as the Muliashi Leach Plant and processing plant. The Group holds an 80% equity interest in Luanshya, with the remaining 20% held by ZCCM-IH.

The following table sets out the production volume of Luanshya for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Copper cathodes	43,518	44,418	45,018	23,688	23,594
Copper anodes	7,865	4,159	3,974	2,055	408

For the six months ended 30 June 2026, Luanshya produced 23,594 tonnes of copper cathodes, representing a decrease of 0.4% from the same period in 2025, and produced 408 tonnes of copper anodes, representing a decrease of 80.2% from the same period in 2025. The decrease in copper anodes output was primarily due to the suspension of production of the processing plant for safety assessment and maintenance.

For the years ended 31 December 2023, 2024 and 2025, copper cathode production at Luanshya remained broadly stable at 43,518 tonnes, 44,418 tonnes and 45,018 tonnes in 2023, 2024 and 2025, respectively.

For the year ended 31 December 2025, copper anode production was 3,974 tonnes, decreased by 4.4% from 4,159 tonnes in 2024, primarily driven by the suspension of production at the processing plant for safety assessment and maintenance starting from 20 October 2025.

For the year ended 31 December 2024, copper anode production was 4,159 tonnes, decreased by 47.1% from 7,865 tonnes in 2023, primarily driven by (i) the continued impact of the closure of the Baluba Underground Mine at the end of 2022, which led to a sharp decline in copper concentrate feed, with low-grade heap ore from Baluba SP3 used as a temporary replacement for the original Baluba sulphide ore but resulting in a lower concentrator recovery rate due to the high oxidation rate of the SP3 ore, and (ii) a further constraint on overall sulphide ore supply in 2024 arising from the replacement of the end cover of the ball mill and a decline in the selected grade from the slag system.

Baluba Center Mine

Situated on the northeast flank of the Muliashi Basin, the Baluba Center Mine is located north of Lusaka and in the vicinity of Luanshya. The deposit contains both oxide and sulphide ores, with copper and cobalt mineralisation. Historically developed as an underground mine employing the sublevel caving extraction method, the Baluba Center sulphide mine was closed in 2024, whereas its oxide mine operations remain ongoing.

The following table sets out the details of the mineral resources of Baluba Center Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	*(%)*
Oxide ore												
Measured. . . .	13.58	1.52	0.90	0.14	12.94	1.52	0.89	0.14	6.31	1.81	1.08	0.15
Indicated	2.35	1.14	0.41	0.08	2.32	1.14	0.40	0.08	8.06	1.44	0.57	0.09
Inferred	0.29	1.04	0.37	0.09	0.29	1.04	0.37	0.09	1.50	1.14	0.35	0.1
Sulphide ore												
Measured. . . .	1.03	2.22	0.13	0.15	–	–	–	–	–	–	–	–
Indicated	1.76	2.05	0.19	0.15	–	–	–	–	–	–	–	–
Inferred	1.07	2.10	0.24	0.15	–	–	–	–	–	–	–	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.30% TCu cut-off grade adopted for Baluba Center oxidised mine.

The following table sets out the details of the mineral resources of Baluba Center Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved.	7.41	1.71	1.24	–	6.90	1.74	1.27	–	6.41	1.92	1.26	–
Probable	0.26	1.57	1.47	–	0.23	1.58	1.42	–	0.21	2.32	1.81	–

Note:

(1) Loss rate was 5% and impoverishment rate was 5%, with a reported 0.3% TCu cut-off grade adopted.

Muliashi North Mine and Muliashi Leach Plant

The Muliashi North Mine together with the Muliashi Leach Plant forms part of the Muliashi Project, an integrated project for the mining and leaching of copper oxide ores. The Muliashi North Mine is located at the eastern edge of the Muliashi Basin, approximately 3 kilometres south of the Baluba Mine. The deposit predominantly contains oxide ores, with malachite as the main copper-bearing mineral. The Muliashi North Mine was closed in 2024, while the Muliashi Leach Plant continues to process ores from open-pit mines including the Baluba East Mine, the Baluba Mine, and the Roan Ext. East Mine to maintain copper cathode production.

The following table sets out the details of the mineral resources of Muliashi North Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	*(%)*
Oxide ore												
Measured. . . .	1.24	1.38	0.56	0.04	1.14	1.34	0.57	0.04	1.14	1.34	0.57	0.04
Indicated	3.65	1.74	0.58	0.01	3.19	1.72	0.59	0.02	3.19	1.72	0.59	0.02
Inferred	11.92	1.48	0.52	0.02	11.83	1.48	0.52	0.02	11.83	1.48	0.52	0.02
Sulphide ore												
Measured. . . .	0.03	1.35	0.11	0.05	0.03	1.35	0.11	0.05	0.03	1.35	0.11	0.05
Indicated	6.00	1.46	0.23	0.04	6.00	1.46	0.23	0.04	6.00	1.46	0.23	0.04
Inferred	6.85	1.47	0.21	0.04	6.85	1.47	0.21	0.04	6.85	1.47	0.21	0.04

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body, with a reported 0.50% TCu cut-off grade adopted for Muliashi North oxide mine, and a reported 0.80% TCu cut-off grade adopted for Muliashi North sulphide mine.

The following table sets out the details of the mineral resources of Muliashi North Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved.	0.26	1.66	0.50	–	0.06	1.45	0.62	–	0	0	0	–
Probable	0.37	1.85	0.47	–	0.10	1.76	0.68	–	0	0	0	–

Note:

(1) Loss rate was 5% and impoverishment rate was 5%, with a reported 0.5% TCu cut-off grade adopted. The Muliashi North Mine was closed in 2024.

Baluba East Mine

Situated at the eastern end of the Baluba Syncline, the Baluba East Mine is located just southeast of the Baluba Center Mine. The deposit contains both oxide and sulphide ores. In 2025, the mine continued production as part of Luanshya's mining operations.

The following table sets out the details of the mineral resources of Baluba East Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*	
Measured	11.99	1.36	0.52	–	8.89	1.36	0.42	–	7.68	1.36	0.42	–
Indicated.....	1.70	1.04	0.32	–	1.49	1.05	0.30	–	1.42	1.06	0.29	–
Inferred.....	0.03	1.05	0.37	–	0.03	1.09	0.37	–	0.02	1.18	0.36	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.30% TCu cut-off grade adopted for Baluba East Mine.

The following table sets out the details of the mineral resources of Baluba East Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			***(Mt)***	*(%)*		
Proved.....	5.70	1.40	0.68	–	3.58	1.43	0.56	–	2.03	1.51	0.46	–
Probable	0.21	1.02	0.52	–	0.11	1.12	0.53	–	0.05	1.19	0.48	–

Note:

(1) Loss rate was 5% and impoverishment rate was 5%, with a reported 1.6% TCu cut-off grade adopted for Mashiba Mine and a 0.3% TCu cut-off grade adopted for Baluba East Mine.

Roan Basin Mine and Other Luanshya Operations

Luanshya operates the Roan Basin Mine and the Roan Ext. East Mine. The developmental stripping for the Roan Basin SS19-35 Ore Vein South Side Open-pit Mine commenced in June 2025. Furthermore, the mining activities at the SS0-4 ore vein within the Roan Basin mining area were completed and closed in 2025.

The following table sets out the details of the mineral resources of Roan Basin SS19-35 Ore Vein for the years indicated.

		For the year ended 31 December											
		2023				2024				2025			
			Average grade				Average grade				Average grade		
	JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
		(Mt)	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	*(%)*
Roan Basin 19-35	Measured. . . .	4.5	2.28	1.73	0.02	7.48	1.42	1.02	0.02	7.16	1.42	1.02	0.02
Ore Vein	Indicated. . . .	1.88	2.06	1.49	0.02	3.38	1.06	0.68	0.02	3.07	1.04	0.66	0.02
South Side	Inferred.	0.97	1.88	1.26	0.02	1.64	0.88	0.52	0.03	1.41	0.86	0.50	0.03
Roan Basin 19-35	Measured. . . .	–	–	–	–	3.05	0.77	0.39	0.03	3.05	0.77	0.39	0.03
Ore Vein	Indicated. . . .	–	–	–	–	4.24	0.78	0.37	0.03	4.24	0.78	0.37	0.03
North Side	Inferred.	–	–	–	–	1.39	0.80	0.39	0.03	1.39	0.80	0.39	0.03
Roan Basin	Measured. . . .	4.5	2.28	1.73	0.02	10.53	1.23	0.84	0.02	10.21	1.23	0.83	0.02
SS19-35	Indicated. . . .	1.88	2.06	1.49	0.02	7.62	0.90	0.51	0.03	7.31	0.89	0.49	0.03
Ore Vein total	Inferred.	0.97	1.88	1.26	0.02	3.03	0.84	0.46	0.03	2.80	0.83	0.45	0.03

Notes:

(1) The resources of Roan Basin SS19-35 Ore Vein are the sum of the Roan Basin 19-35 Ore Vein South Side and the Roan Basin 19-35 Ore Vein North Side.

(2) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.30% TCu cut-off grade adopted for Roan Basin SS19-35 Ore Vein.

The following table sets out the details of the mineral resources of Roan Basin SS19-35 Ore Vein for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved.	–	–	–	–	5.89	1.32	0.96	–	6.89	1.34	0.96	–
Probable	–	–	–	–	2.63	1.01	0.67	–	2.77	0.97	0.64	–

Note:

(1) Loss rate was 5% and impoverishment rate was 5%, with a reported 1.0% TCu cut-off grade adopted.

The following table sets out the details of the mineral resources of Roan Basin SS0-4 Ore Vein for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*	
Measured	1.26	2.85	1.72	–	0.88	2.93	1.56	–	0.15	3.25	1.96	–
Indicated.....	0.20	3.18	2.21	–	0.17	3.34	2.25	–	0.10	3.44	2.15	–
Inferred.....	0.16	3.64	2.35	–	0.16	3.64	2.36	–	0.14	3.53	2.18	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% TCu cut-off grade adopted for Roan Basin SS0-4 Ore Vein.

The following table sets out the details of the mineral resources of Roan Basin SS0-4 Ore Vein for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*	
Proved.....	1.21	2.73	1.71	–	0.70	2.63	1.39	–	0	0	0	–
Probable	0.09	2.80	2.12	–	0.08	3.13	2.36	–	0	0	0	–

Note:

(1) Loss rate was 5% and impoverishment rate was 5%, with a reported 1.0% TCu cut-off grade adopted. The mine was closed in 2025.

The Roan Ext. East is located in Zambia and is part of the Roan Basin mining area. The deposit contains copper mineralisation. The mine continued production in 2025.

The following table sets out the details of the mineral resources of Roan Ext. East for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*	
Measured	0.34	2.09	1.38	–	0.47	2.13	1.43	–	0.28	2.99	1.84	–
Indicated.....	1.34	2.10	1.43	–	0.52	1.89	1.34	–	0.24	2.61	1.57	–
Inferred.....	0.26	1.81	1.12	–	0.02	2.15	1.46	–	0.06	2.03	1.25	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.30% TCu cut-off grade adopted for Roan Ext. East.

The following table sets out the details of the mineral resources of Roan Ext. East for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved.....	0.58	1.97	1.50	–	0.38	1.90	1.38	–	0.04	2.21	1.65	–
Probable	0.90	1.89	1.35	–	0.62	1.94	1.37	–	0.02	2.09	1.44	–

Note:

(1) Loss rate was 5% and impoverishment rate was 5%, with a reported 0.3% TCu cut-off grade adopted.

CCS

CCS mainly operates the Chambishi Smelting Plant, located in the Zambia-China Economic & Trade Cooperation Zone in the Copperbelt region of Zambia. The Group holds a 60% equity interest in CCS, with the remaining 40% held by Yunnan Copper Group. The Chambishi Smelting Plant produces blister copper and copper anodes from copper concentrate using the ISA smelting technology/oxygen-enriched bath smelting and recovers sulphuric acid as a by-product from the smelting off-gas.

Production Volume

The following table sets out the production volume of CCS for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Blister copper and copper anodes	216,430	263,001	261,067	140,526	125,208
Sulphuric acid	595,965	747,917	705,387	366,078	335,624
Bismuth contained in bismuth oxychloride	–	–	–	–	119

For the six months ended 30 June 2026, CCS produced 125,208 tonnes of blister copper and copper anodes, including the processed copper products of 35,803 tonnes for enterprises within the Group and the processed copper products of 60,103 tonnes for enterprises outside of the Group, representing a period-over-period decrease of 10.9%; sulphuric acid of 335,624 tonnes, representing a period-over-period decrease of 8.3%; bismuth contained in bismuth oxychloride of 119 tonnes, compared to no production for the same period in 2025. The decrease in copper products and sulphuric acid output was mainly due to major copper concentrate suppliers being affected by the rainy season and maintenance work, resulting in copper concentrate supplies falling short of expectations and a corresponding reduction in production.

For the year ended 31 December 2025, production of blister copper and copper anodes was 261,067 tonnes, decreased by 0.7% from 263,001 tonnes in 2024, and production of sulphuric acid was 705,387 tonnes, decreased by 5.7% from 747,917 tonnes in 2024, primarily driven by (i) a 16-day maintenance shutdown in September 2025, and (ii) a decrease in the sulphur content of copper concentrate supplied by major suppliers. Of the 261,067 tonnes of blister copper and copper anodes produced in 2025, processed copper products of 60,978 tonnes were for enterprises within the Group and 121,290 tonnes for enterprises outside of the Group.

For the year ended 31 December 2024, production of blister copper and copper anodes was 263,001 tonnes, increased by 21.5% from 216,430 tonnes in 2023, and production of sulphuric acid was 747,917 tonnes, increased by 25.5% from 595,965 tonnes in 2023, primarily driven by a stable supply of raw materials, the steady performance of the production system and fewer disruptive factors compared with 2023, as the prior year had been adversely affected by KML suppliers being unable to deliver an aggregate of approximately 80,814 dry tonnes and 21,400 metal tonnes of raw materials between January and October 2023 due to force majeure and other factors, which affected the chemical process ingredients of the smelting system and resulted in insufficient smelting heat, increased slag viscosity and higher fuel consumption, forcing CCS to reduce its load and resulting in an estimated reduction of approximately 25,000 tonnes of copper products and 73,000 tonnes of sulphuric acid in 2023.

Mineral Resources and Mineral Reserves

The Smelting Slag is a resource derived from smelting operations in Zambia. The mineral resources estimate was based on the scope of the three-dimensional model of orebody without adoption of a cut-off grade. The resource is primarily from the smelting process and is managed as part of the Group's overall resource portfolio.

The following table sets out the details of the mineral resources of Smelting Slag for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*	
Measured	–	–	–	–	–	–	–	–	–	–	–	–
Indicated	2.23	0.97	0.32	–	1.57	0.91	0.22	–	0.76	0.86	0.21	–
Inferred	–	–	–	–	–	–	–	–	–	–	–	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body without adoption of cut-off grade for Smelting Slag.

The following table sets out the details of the mineral resources of Smelting Slag for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved	–	–	–	–	–	–	–	–	–	–	–	–
Probable	2.23	0.97	0.32	–	1.57	0.91	0.22	–	0.76	0.86	0.21	–

Note:

(1) There was no loss rate, no impoverishment rate, and no cut-off grade adopted.

SML

SML mainly operates the Mwambashi Mine and the Chambishi Leach Plant. The Group holds a 67.75% equity interest in SML, comprising a 55% direct interest and a 15% indirect interest through NFCA. The Chambishi Leach Plant uses a hydrometallurgical process involving heap leaching, agitation leaching and solvent extraction/electrowinning to produce copper cathodes, and incorporates a flotation circuit to produce copper concentrate.

The following table sets out the production volume of SML for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Copper cathodes	6,784	5,754	755	754	2,026
Blister copper and copper anodes	5,981	6,554	1,540	1,538	760

For the six months ended 30 June 2026, SML produced 2,026 tonnes of copper cathodes, representing an increase of 168.3% from the same period in 2025, mainly due to the resumption of operations at the leaching plant during the year; and produced 760 tonnes of blister copper and copper anodes, representing a decrease of 50.6% from the same period in 2025, mainly due to the period-over-period decrease in copper concentrate output.

For the year ended 31 December 2025, copper cathode production was 755 tonnes, decreased by 86.9% from 5,754 tonnes in 2024, and production of blister copper and copper anodes was 1,540 tonnes, decreased by 76.5% from 6,554 tonnes in 2024, primarily driven by the temporary suspension of production at SML to focus on appropriate rehabilitation measures. For details, please refer to "*Risk Factors — The Group's mining operations have finite mine lives and the closure, rehabilitation and ongoing environmental monitoring of its mines entails significant costs, regulatory obligations and operational risks.*"

For the year ended 31 December 2024, copper cathode production was 5,754 tonnes, decreased by 15.2% from 6,784 tonnes in 2023, primarily driven by (i) a decrease in the oxidation rate of self-produced ore and a lower percentage of copper oxide metal in the raw materials, and (ii) a decrease in the grade of purchased oxide ores, which together resulted in a shortage of copper oxide metal feed for agitation leaching production; production of blister copper and copper anodes was 6,554 tonnes, increased by 9.6% from 5,981 tonnes in 2023, primarily driven by a decrease in the oxidation rate and an increase in the proportion of copper sulphide as the mine extended into deeper sections.

SML is also progressing the Samba Copper Mining Project and the Mwambashi-B Copper Mine Deep Part Ore Body Phase II Open Pit Project. For further details, please refer to "— *Other development projects*".

CNMC Huachin Mabende

CNMC Huachin Mabende operates a copper leaching plant located in the DRC. The following table sets out the production volume of CNMC Huachin Mabende for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Copper cathodes	36,842	23,017	27,008	15,604	17,694

For the six months ended 30 June 2026, Copper cathodes produced by CNMC Huachin Mabende increased by 13.4% to 17,694 tonnes (including the processed copper products of 854 tonnes for enterprises outside of the Group) as compared with the same period in 2025, mainly due to the stable operation of the diesel generators and photovoltaic (Phase II) project commissioned in 2025, resulting in a significantly improved power supply situation compared with the same period in 2025.

Copper cathode production decreased in each of 2023 and 2024, primarily attributable to local power supply shortages, with the impact being more pronounced in 2024. For the year ended 31 December 2025, copper cathode production increased year-on-year, mainly attributable to the successful commissioning of the diesel and photovoltaic power generation systems, which significantly enhanced power supply reliability compared with the prior year.

Huachin Leach

Huachin Leach operates a copper and cobalt leaching plant in the DRC. The Group holds a 62.5% equity interest in Huachin Leach through SML.

The following table sets out the production volume of Huachin Leach for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Copper cathodes	24,160	22,090	20,303	12,977	10,655
Cobalt contained in cobalt hydroxide	185	215	301	221	43
Sulphuric acid	4,741	1,392	–	–	–

For the six months ended 30 June 2026, Copper cathodes produced by Huachin Leach decreased by 17.9% to 10,655 tonnes as compared with the same period in 2025, primarily due to tight supply of sulphuric acid, which constrained production load. Cobalt contained in cobaltous hydroxide produced decreased by 80.5% to 43 tonnes as compared with the same period in 2025, primarily due to adjustments to the cobalt export quota policy in the DRC, and the Company did not secure the corresponding export quota. In addition, on +site storage capacity for cobalt hydroxide was insufficient and sales could not be realised. In line with prudent operational principles, the Company suspended cobalt production starting from March this year.

For the year ended 31 December 2025, the copper cathode production was 20,303 tonnes, decreased by 8.1% from 22,090 tonnes in 2024, primarily driven by the suspension of operations from mid-October to the end of December 2025 for the upgrading and renovation of the tailings dam. The production of cobalt contained in cobalt hydroxide in 2025 was 301 tonnes, increased by 40.0% from 215 tonnes in 2024, primarily driven by higher cobalt concentration in the raffinate. No sulphuric acid was produced in 2025, compared with 1,392 tonnes in 2024.

For the year ended 31 December 2024, the copper cathode production was 22,090 tonnes, decreased by 8.6% from 24,160 tonnes in 2023, primarily driven by the local power supply shortage. The copper cathode production includes (i) copper cathode production included 3,577 tonnes of copper products processed for enterprises outside the Group, compared with 2,121 tonnes in 2023, mainly due to the local power supply shortage; and (ii) 215 tonnes of cobalt contained in cobalt hydroxide, increase by 16.2% from 185 in 2023, mainly due to the increase in production as a result of increased cobalt concentration in the raffinate during the year. The production of cobalt contained in cobalt hydroxide in 2024 was 215 tonnes, increased by 16.2% from 185 tonnes in 2023, primarily driven by a rebound in cobalt concentration in the raffinate following the prior year's strategic prioritisation of electricity for copper production in light of the oversupply of cobalt hydroxide in the market. The production of sulphuric acid in 2024 was 1,392 tonnes, decreased by 70.6% from 4,741 tonnes in 2023.

Lualaba Copper Smelter

Lualaba Copper Smelter mainly operates the Lualaba Smelting Plant in the DRC. The Group holds a 57.0% equity interest in Lualaba Copper Smelter.

The following table sets out the production volume of Lualaba Copper Smelter for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Blister copper	157,025	131,252	158,259	73,406	58,230
Sulphuric acid	354,655	306,726	362,899	172,440	133,498
Liquid sulphur dioxide	11,971	15,993	5,337	1,465	4,694

For the six months ended 30 June 2026, Lualaba Copper Smelter produced 58,230 tonnes of blister copper, including the processed copper products of 29,666 tonnes for enterprises outside the Group, representing a decrease of 20.7% from the same period in 2025; produced 133,498 tonnes of sulphuric acid, representing a decrease of 22.6% from the same period in 2025. The decrease in blister copper and sulphuric acid output was mainly due to the suspension of production for annual maintenance from 5 May to 30 June this year, resulting in a period-over-period decrease of 57 production days. Production of liquid sulphur dioxide was 4,694 tonnes, representing an increase of 220.2% from the same period in 2025, primarily due to the period-over-period increase in demand for liquid sulphur dioxide from cobalt production enterprises in the DRC.

For the year ended 31 December 2025, blister copper production was 158,259 tonnes, representing an increase of 20.6% from 131,252 tonnes in 2024, and sulphuric acid production was 362,899 tonnes, representing an increase of 18.3% from 306,726 tonnes in 2024, which was primarily driven by (i) an increase of 21 production days compared to 2024, and (ii) greater supply of high-sulphur copper concentrate. Liquid sulphur dioxide production was 5,337 tonnes, representing a decrease of 66.6% from 15,993 tonnes in 2024, which was primarily driven by the reduction or suspension of production within the cobalt systems of mining companies in the DRC, leading to a consequential decline in demand for liquid sulphur dioxide. Out of the blister copper produced, the volumes of processed copper products supplied under toll-processing arrangements for enterprises outside of the Group were 87,722 tonnes, 93,349 tonnes and 105,770 tonnes for the years ended 31 December 2023, 2024 and 2025, respectively.

For the year ended 31 December 2024, blister copper production was 131,252 tonnes, decreased by 16.4% from 157,025 tonnes in 2023, and sulphuric acid production was 306,726 tonnes, decreased by 13.5% from 354,655 tonnes in 2023, primarily driven by (i) insufficient supply of raw materials and electricity, and (ii) a planned maintenance shutdown from 15 May 2024 to 4 June 2024; liquid sulphur dioxide production was 15,993 tonnes, increased by 33.6% from 11,971 tonnes in 2023, primarily driven by higher downstream demand, while the prior year had been adversely affected by weaker downstream demand following the decline in cobalt prices.

Kambove Mining

Kambove Mining operates a copper-cobalt mining and processing complex in the Katanga region of the DRC, comprising mining facilities at the Kambove Main Mine and an associated hydrometallurgical leaching plant. The Group holds a 55.0% equity interest in Kambove Mining.

Production Volume

The following table sets out the production volume of Kambove Mining for the years/periods indicated.

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
			(tonnes)		
Copper cathodes	33,239	34,439	37,148	19,186	20,608
Cobalt contained in cobalt hydroxide	1,335	795	528	260	72

For the six months ended 30 June 2026, Kambove Mining produced 20,608 tonnes of copper cathodes, representing an increase of 7.4% as compared with the same period in 2025, mainly attributable to the period-over-period increase in ore processing volume during the same period in 2026. The production of cobalt contained in cobaltous hydroxide was 72 tonnes, representing a decrease of 72.3% as compared with the same period in 2025, mainly attributable to the period-over-period decrease in cobalt grade of the ore.

For the year ended 31 December 2025, copper cathode production was 37,148 tonnes, increased by 7.9% from 34,439 tonnes in 2024, primarily driven by the operation of the dual power supply system during local utility outages, with diesel generating units compensating for shortfalls in grid electricity; production of cobalt contained in cobalt hydroxide was 528 tonnes, decreased by 33.6% from 795 tonnes in 2024, primarily driven by (i) the year-on-year decline in the cobalt grade of the raw ore and the continuous decrease in the concentration of cobalt ions leached from the system, and (ii) the suspension of cobalt product exports by the DRC government until October 2025, prompting Kambove Mining to adjust its cobalt production model.

For the year ended 31 December 2024, copper cathode production was 34,439 tonnes, increased by 3.6% from 33,239 tonnes in 2023, primarily driven by the operation of the dual power supply system during local utility outages, with diesel generating units compensating for shortfalls in grid electricity; production of cobalt contained in cobalt hydroxide was 795 tonnes, decreased by 40.4% from 1,335 tonnes in 2023, primarily driven by the year-on-year decline in the cobalt grade of the raw ore and the continuous decrease in the concentration of cobalt ions leached from the system.

During 2025, Kambove Mining successfully listed its brand and obtained LME delivery brand approval, and completed an overall optimisation of its leaching processing system.

Mineral Resources and Mineral Reserves

To support its ongoing operations and processing facilities, Kambove Mining manages a comprehensive asset portfolio comprising the Kambove Main Mine, the Kambove Main Open-Pit Tailings, and the Kambove West Open-Pit Tailings.

The Kambove Main Mine is situated in the Katanga Province of the DRC. The deposit contains both copper and cobalt mineralisation. The Kambove Main Mine is an underground mine, with the mining and processing facilities being operated by Kambove Mining SAS. In 2025, the Kambove Leaching Plant Process System Overall Optimisation Project was completed and commissioning commenced. Approximately 37,148 tonnes of copper cathodes were produced, and supplementary exploration was carried out.

The following table sets out the details of the mineral resources of Kambove Main Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*
Measured	–	–	–	–	2.25	2.2	–	0.11	2.14	2.79	–	0.11
Indicated.....	4.82	2.85	–	0.13	6.84	2.51	–	0.11	3.53	2.71	–	0.11
Inferred.....	5.80	2.96	–	0.12	0.84	2.46	–	0.11	0.97	2.54	–	0.11

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% TCu cut-off grade adopted for Kambove Main Mine.

The following table sets out the details of the mineral resources of Kambove Main Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved.....	–	–	–	–	0.81	2.37	–	0.11	1.68	2.81	–	–
Probable	4.38	2.63	–	0.12	6.34	2.53	–	0.11	3.57	2.62	–	–

Note:

(1) For mineral reserve, a reported cut-off grade of 0.5% TCu was adopted for the main ore body in 2025, and 1.0% TCu in 2024.

The Kambove Main Open Pit Tailings are located in the Katanga Province of the DRC. The tailings resource contains copper and cobalt mineralisation. The resource is managed as part of Kambove Mining's overall asset portfolio. The following table sets out the details of the mineral resources of Kambove Main Open Pit Tailings for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*
Measured	–	–	–	–	–	–	–	–	–	–	–	–
Indicated.....	–	–	–	–	–	–	–	–	–	–	–	–
Inferred.....	2.28	0.95	–	0.17	0.53	0.75	–	0.15	1.42	0.95	–	0.15

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.5% TCu cut-off grade adopted for Kambove Main Open Pit Tailings.

The Kambove West Open Pit Tailings are located in the Katanga Province of the DRC. The tailings resource contains copper and cobalt mineralisation. The resource remained stable in 2023, 2024 and 2025. The following table sets out the details of the mineral resources of Kambove West Open Pit Tailings for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide Copper	Cobalt
	(Mt)	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*	*(Mt)*	*(%)*		*(%)*
Measured	–	–	–	–	–	–	–	–	–	–	–	–
Indicated.....	–	–	–	–	–	–	–	–	–	–	–	–
Inferred.....	2.35	1.15	–	0.22	2.35	1.15	–	0.22	2.35	1.15	–	0.22

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.5% TCu cut-off grade adopted for Kambove West Open Pit Tailings.

OTHER DEVELOPMENT PROJECTS

In addition to its principal operating mines, the Group has steadily advanced several key expansion, technological upgrade, and infrastructure projects to support its long-term resource development and production capacity. Set forth below is a summary of the ongoing projects across the Group's operations.

NFCA

As at June 2026, NFCA steadily advanced its key mining expansion and infrastructure renovation projects as follows:

- **Southeast Mine Expansion — Phase II Project:** Preliminary resource estimation and model delineation for the No. 2 and No. 3 mines were completed by 4 June 2026, with the detailed exploration report expected in late August. The tunnel boring machine officially started trial excavation on 28 April 2026, reaching a cumulative advance of 177 meters by 24 June 2026. Following maintenance and muck-handling construction starting 25 June, continuous excavation is set to resume in August, with formal excavation for the No. 2 and No. 3 mines slated for the fourth quarter of 2026.

- **Southeast Mine No. 2 Auxiliary Shaft Construction Project:** Simultaneous construction on two 1,200-meter exploratory boreholes began on 26 March 2026, achieving a cumulative drilling advance of 351.25 meters (14.64% of the overall plan) as both entered the second aquifer. Environmental, social impact assessments, and preliminary designs are progressing toward completion in the third and fourth quarters of 2026.

- **Main and West Mine Processing Plants Renovation Project:** All preliminary filings, feasibility studies, environmental impact assessments, and site clearances have been completed. The project is scheduled to formally begin on 1 July 2026, with construction drawings expected by the end of July, equipment installation by December 2026, and final completion acceptance targeted for mid-2027.

SML

As at 30 June 2026, SML steadily advanced the development, construction, and technological upgrades of its key mining and infrastructure projects as follows:

- **Samba Copper Mine Mining and Processing Project:** The Samba Copper Mining and Processing Project is designed to comprise an underground mine with a target annual raw-ore production capacity of 1.5 million tonnes, a corresponding ore-processing facility, a tailings treatment facility and related ancillary facilities. As at 30 June 2026, supplementary drilling for the initial mining section, rock-mechanics studies, mining-method analysis, and development-approach studies had been completed. Preliminary design, environmental impact assessments, external power-supply arrangements, and financing work are currently progressing, with main construction planned to commence in 2027.

- **Mwambashi-B Copper Mine Deep Ore Body Open Pit Mining Project:** The Mwambashi-B Copper Mine is an important source of copper resources for SML. The Phase II Open Pit Project at the deep part of the ore body mainly includes the extension of the open pit, the expansion of the open pit boundary and the construction of ancillary infrastructure. As at 30 June 2026, the feasibility study and internal review have been completed. Tendering for the mine design firm, land acquisition assessments for the waste-dump area, and the construction of water management monitoring holes and trial dewatering wells are advancing, with cumulative slope-stabilization stripping reaching approximately 3.2 million cubic meters.

- **New Tailings Dam Construction Project:** Engineering investigations, designs, and tender processes for construction contractors have been completed, and the preliminary design has passed review. Construction equipment has arrived on site, and site clearing and embankment construction have commenced, with project completion targeted by the end of 2026.

- **Tailings Dam Online Safety Monitoring System Project:** The technical plan has been finalized and equipment procurement completed for the installation of dam displacement and phreatic line online monitoring devices alongside an early-warning platform at tailings dam No. 15 EF, with installation planned for the second half of 2026.

- **Infrastructure and Substation Renovation Projects:** Feasibility studies, designs, and equipment procurement for the renovation of the 11 kV transmission and distribution substation between the Zambia-China Economic and Trade Cooperation Zone and SML have been completed, alongside the construction of power poles and civil engineering works. Equipment is expected to arrive in September 2026 for installation and commissioning. In addition, upgrades to the electrowinning workshop's fire protection system and various site facilities are proceeding according to schedule.

The following table sets out the details of the mineral resources of Samba Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Measured	–	–	–	–	–	–	–	–	–	–	–	–
Indicated.....	9.24	1.65	–	–	9.24	1.65	–	–	9.43	1.63	–	–
Inferred.....	8.58	1.60	–	–	8.58	1.60	–	–	8.63	1.56	–	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.50% TCu cut-off grade adopted for Samba Mine.

The following table sets out the details of the mineral resources of Mwambashi-B Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*	
Measured ……	0.34	1.42	0.87	–	0.12	1.96	0.87	–	2.38	2.55	0.73	–
Indicated……	4.53	1.95	0.54	–	4.32	1.91	0.54	–	2.06	2.12	0.32	–
Inferred……	2.83	2.11	0.28	–	2.83	2.11	0.28	–	2.78	2.15	0.33	–

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.30% TCu cut-off grade adopted for Mwambashi Mine.

The following table sets out the details of the mineral resources of Mwambashi-B Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved……	0.28	2.33	1.08	–	0.13	2.31	1.05	–	1.14	2.50	0.93	–
Probable ……	1.25	2.44	0.96	–	1.03	2.41	0.89	–	0.00	1.94	1.01	–

Kambove Mining

As at 30 June 2026, Kambove Mining steadily advanced its resource development projects, facility optimizations, and environmental infrastructure as follows:

- **MSESA Mine Resumption Project and Kambove West Mine:** Geological supplementary drilling for the West Mine is progressing, with a drilling advance of 4,500 meters completed. Meanwhile, the feasibility study report for the MSESA Mine Resumption Project in Kambove had been completed and submitted for shareholder review as at 30 June 2026, with filing with CAMI currently in progress. The project has a planned total investment of approximately US$186.4 million, with construction scheduled to commence in 2027 and commissioning targeted by the end of 2028. During the first half of 2026, approximately US$2.9 million was invested, primarily dedicated to the preparation of the feasibility study report, overlaid resource evaluation, and land acquisition work.

- **Leaching Plant Process System Optimization Project:** Individual unit commissioning was completed at the end of 2025, followed by integrated system commissioning in January 2026, after which the plant entered trial production. Throughout the trial operation period, the system operated smoothly, with tailings processing capacity and technical production indicators meeting design standards.

- **New Tailings Dam No. 4 Construction Project:** The Group plans to invest in the construction of a new tailings dam No. 4 in 2026, featuring a preliminary designed storage capacity of 2.6 million cubic meters. This dam will be jointly utilized by the Kambove Main Mine Leach Copper Smelting Project and the MSESA Mine Development Project. All site clearing works have been completed, dam construction is underway, and an investment of US$0.1 million has been fulfilled, with scheduled completion targeted for 15 November 2026.

The following table sets out the details of the mineral resources of Kambove MSESA Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Acid soluble copper	Cobalt	Ore	Total copper	Acid soluble copper	Cobalt	Ore	Total copper	Acid soluble copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*	*(%)*	*(%)*
Measured	–	–	–	–	–	–	–	–	2.04	3.82	2.18	0.25
Indicated.....	–	–	–	–	–	–	–	–	0.94	4.26	3.09	0.26
Inferred.....	–	–	–	–	–	–	–	–	1.64	3.58	1.79	0.32

Note:

(1) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.5% TCu cut-off grade adopted for Kambove MSESA Mine.

Luanshya

As at 30 June 2026, Luanshya steadily advanced its new mine project and resource development initiatives as follows:

- **New Mine Project (Overall Progress):** This project serves as a key initiative for Luanshya to achieve sustainable and high-quality development in the future. Cumulative investment in the new mine project has reached approximately US$89.5 million, with total completed investment amounting to approximately US$46.4 million in the first half of 2026. Construction across the Southern Superficial Part of Muliashi and Mashiba sections has proceeded in a strict and orderly manner, with underground roadway restoration exceeding 15 km, infrastructure excavation volume surpassing 70,000 cubic meters, design work reaching 65% completion, and materials and equipment procurement attaining 56%.

- **Key Sub-Projects & Milestones:** (i) Muliashi Composite Shaft: Extension and equipment installation above the 440m level were completed by May 2026, with production targeted for June 2027; and (ii) Infrastructure & Systems: The ore pass fragmenting system is on schedule, the 580m level pump station achieved formal drainage readiness in March 2026, and the underground power and communications ring network has been fully established.

- **Shaft No. 28 Sulphide Ore Resource Development Project:** Following the completion of the feasibility study in March 2025 and investment approval in June 2025, preparatory work and preliminary design optimization are actively underway. Plans for the new main shaft, the east wing ventilation shaft, and the reuse of Shaft No. 18 have been finalized, with the preliminary design scheduled for completion in November 2026.

The following table sets out the details of the mineral resources of New Mine Superficial Part Project for the years indicated.

		For the year ended 31 December											
		2023				2024				2025			
			Average grade				Average grade				Average grade		
	JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
		(Mt)	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	*(%)*	*(Mt)*	*(%)*	*(%)*	
Mashiba Mine	Measured....	6.62	1.88	0.42	0.03	6.62	1.88	0.42	0.03	4.02	2.06	0.37	–
	Indicated....	3.03	1.92	0.20	0.01	3.03	1.92	0.20	0.01	3.21	2.17	0.13	–
	Inferred.....	1.05	1.68	0.27	0.01	1.05	1.68	0.27	0.01	2.42	2.12	0.24	–
Southern	Measured....	–	–	–	–	–	–	–	–	5.15	1.82	0.21	–
Superficial	Indicated....	–	–	–	–	9.11	2.42	0.15	–	3.62	1.67	0.21	–
Part of	Inferred.....	–	–	–	–	4.68	2.53	0.20	–	1.69	1.56	0.18	–
Muliashi Mine													
New Mine	Measured....	–	–	–	–	6.62	1.88	0.42	0.03	9.17	1.93	0.28	–
Superficial Part	Indicated....	–	–	–	–	12.14	2.30	0.16	0.01	6.83	1.91	0.17	–
Project total	Inferred.....	–	–	–	–	5.73	2.37	0.21	0.01	4.12	1.89	0.22	–

Notes:

(1) According to the overall plan, the Mashiba Mine and the Southern Superficial Part of Muliashi Mine have been renamed as the New Mine Superficial Part Project.

(2) The resources of New Mine Superficial Part Project are the sum of the Mashiba Mine and the Southern Superficial Part of Muliashi Mine.

(3) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.80% TCu cut-off grade adopted for Mashiba Mine, and a reported 1.0% TCu cut-off grade for Southern Superficial Part of Muliashi Mine ore body.

The following table sets out the details of the mineral reserves of Mashiba Mine for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*			*(Mt)*	*(%)*			*(Mt)*	*(%)*		
Proved.....	2.71	1.93	0.30	–	2.71	1.93	0.30	–	2.71	1.93	0.30	–
Probable	1.78	1.83	0.19	–	1.78	1.83	0.19	–	1.78	1.83	0.19	–

The following table sets out the details of the mineral resources of New Mine Deep Part Project for the years indicated.

	For the year ended 31 December											
	2023				2024				2025			
		Average grade				Average grade				Average grade		
JORC Code	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt	Ore	Total copper	Oxide copper	Cobalt
	(Mt)	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*		*(Mt)*	*(%)*	*(%)*	
Measured ……	–	–	–	–	17.66	–	–	–	24.46	2.15	–	–
Indicated……	–	–	–	–	10.53	–	–	–	17.05	2.42	–	–
Inferred……	–	–	–	–	8.69	–	–	–	7.64	3.13	–	–

Note:

(1) According to the overall plan, the Shaft 28 Project has been renamed as the New Mine Deep Part Project.

(2) The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% TCu cut-off grade adopted for the New Mine Deep Part Project.

CCS

As at 30 June 2026, CCS steadily advanced its expansion, technological renovation, and environmental protection projects as follows:

- **Slag Separation Plant Expansion and Renovation Project:** Completed and entered trial operation on 31 March 2026, successfully passing formal completion acceptance on 30 June 2026. Total project investment amounts to US$6.0 million, with an actual completed investment of US$4.3 million.

- **VPSA Oxygen Generation System Project:** Commenced on 5 October 2025, with civil works and foundation structures substantially completed. Equipment installation is progressing as units arrive in batches, with a total estimated investment of US$13.3 million. Smelting Flue Gas Environmental Protection Treatment Project (New Dust Collection System): Commenced on 10 November 2025 and currently at its peak construction stage, with all sub-projects progressing in an orderly manner. Total estimated investment is US$13.3 million.

- **Smelted Concentrate Warehouse Area C Expansion Project:** Commenced on 20 September 2025, steel structure fabrication and installations are steadily advancing. Despite minor delays from rainy seasons and traffic, completion is targeted by 31 July 2026 with a total estimated investment of US$3.4 million.

- **Copper Acid System Optimization and Waste Heat Comprehensive Utilization Project:** Commenced on 13 May 2026, with feasibility studies and preliminary designs completed. Equipment procurement and waste-heat boiler modifications are advancing, with full delivery expected by August 2026 and a total estimated investment of US$23.8 million.

- **Information System Upgrade Project:** Approved on 19 December 2025, with feasibility studies, preliminary designs, and hardware/software procurement largely completed. Total estimated investment is US$3.2 million.

MINERAL RESOURCES AND ORE RESERVES

The Group prepares and publishes estimates of its Mineral Resources and Ore Reserves on an annual basis in accordance with the JORC Code. All Mineral Resource and Ore Reserve estimates are expressed as tonnage and grade reported above a minimum cut-off value. The estimation process is undertaken by appropriately qualified independent third-party technical specialists, each of whom meets the definition of a "Competent Person" under the JORC Code.

As at 31 December 2025, in accordance with the JORC reporting standards, the Group's total mineral resources contained copper metal resources of approximately 7.2 million tonnes, and copper metal reserves of approximately 1.7 million tonnes. For a detailed breakdown and property-by-property asset breakdown of the Group's mineral resources and mineral reserves for the years ended 31 December 2023 2024 and 2025, please refer to the section headed *"— Operating Mines and Production Facilities" and "— Other Development Projects."*

MINING EXPLORATION, MINING DEVELOPMENT AND ORE MINING ACTIVITIES

Mining Exploration

During 2025, NFCA, Luanshya, SML and Kambove Mining each conducted mining exploration for both production and resource expansion purposes. In particular:

- At Chambishi Main Mine, Chambishi West Mine and Chambishi Southeast Mine of NFCA, a total of 218 underground drilling holes and deep surface exploration drilling holes were completed, with a total drilling footage of 50,249 metres.

- Luanshya conducted mining exploration projects including the Southern Superficial Part of Muliashi and Mashiba Construction and Exploration Project (30 surface drillings totalling 3,942 metres and three hydrogeological holes totalling 351 metres) and the Production Exploration in the Extended Section of Roan (four surface drilling holes totalling 274 metres).

- SML completed the field work of the exploration of the hydrogeological environment at the Samba Copper Mine (two drillings totalling 771 metres) and the resource verification and exploration of the hydrogeological environment at the Mwambashi-B Copper Mine (12 resource verification drillings totalling 1,630 metres and four hydrogeological drillings totalling 1,076 metres).

- At Kambove Mining, 4,187 metres/39 holes of production exploration and supplementary exploration drilling were completed at Kambove Main Mine, and 2,444 metres/19 holes of supplementary geological survey drilling were completed at the West Mine.

Exploration, Development and Mining Costs

The Group's aggregate exploration, development and mining costs for the year ended 31 December 2025 amounted to approximately US$508.8 million, comprising approximately US$13.9 million of exploration activity costs, US$150.6 million of development activity costs (including mine construction) and US$344.3 million of mining activity costs (excluding ore processing). The following table sets forth a detailed breakdown of our exploration, development and mining costs for the year ended 31 December 2025.

Development activities (including mine construction)

	NFCA		Luanshya			SML		Kambove Mining			
	Main and West Mine	Southeast Mine	Southern Superficial Part of Mulashi Sulphide Mine	Roan Extended to the Southern Deep Part of Mulashi Sulphide Mine	Mulashi Strip Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine	MSESA Mine	Total
						(Million US$)					
Exploration activities											
Drilling	0.81	1.28	3.87	0.74	0.64	–	0.04	0.73	0.54	0.11	8.76
Analysis	0.02	0.12	0.59	–	0.10	–	0.12	0.14	0.07	–	1.16
Others	–	0.08	–	1.58	1.12	0.69	0.51	–	–	–	3.98
Sub-total	**0.83**	**1.48**	**4.46**	**2.32**	**1.86**	**0.69**	**0.67**	**0.87**	**0.61**	**0.11**	**13.90**
Development activities (including mine construction)											
Purchases of assets and equipment	4.58	6.76	0.47	15.91	–	–	–	–	–	–	27.72
Civil work for construction of tunnels and roads	5.56	12.32	12.50	27.78	6.22	–	–	–	–	–	64.38
Others	8.48	21.50	–	0.93	27.54	–	–	–	–	–	58.45
Sub-total	**18.62**	**40.58**	**12.97**	**44.62**	**33.76**	**–**	**–**	**–**	**–**	**–**	**150.55**
Mining activities (excluding ore processing)											
Staff cost	4.31	14.34	–	–	–	–	–	–	–	–	18.65
Consumables	6.82	29.62	–	–	–	–	–	–	–	–	36.44
Fuel, electricity, water and others services	19.52	9.93	–	–	–	–	–	0.59	–	–	30.04
Depreciation	7.65	34.72	–	–	14.22	0.06	–	4.65	–	–	61.30
Sub-contracting charges	51.36	53.01	–	–	50.95	0.21	–	37.16	–	–	192.69
Transportation charges	–	–	–	–	–	–	–	–	–	–	–
Others	2.53	2.56	–	–	–	0.06	–	–	–	–	5.15
Sub-total	**92.19**	**144.18**	**–**	**–**	**65.17**	**0.33**	**–**	**42.40**	**–**	**–**	**344.27**

For the six months ended 30 June 2026, the Group's aggregate exploration, development and mining costs amounted to approximately US$261.6 million, comprising approximately US$8.9 million of exploration activity costs, US$74.1 million of development activity costs (including mine construction) and US$178.6 million of mining activity costs (excluding ore processing). The following table sets forth a detailed breakdown of our exploration, development and mining costs for the six months ended 30 June 2026.

	NFCA		Luanshya			SML		Kambove Mining			
	Chambishi Main and West Mine	Chambishi Southeast Mine	Southern Superficial Part of Muliashi Sulphide Mine	Roan Extended to the Southern Deep Part of Muliashi Sulphide Mine	Muliashi Strip Mine Oxidised Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine	MSESA Mine	Total
						(Million US$)					
Exploration activities											
Drilling	0.30	3.05	0.58	0.97	–	–	–	–	–	–	4.90
Analysis	0.01	0.08	–	–	0.53	–	–	–	–	–	0.62
Others	–	–	2.05	0.74	0.56	–	0.06	–	–	–	3.41
Sub-total	0.31	3.13	2.63	1.71	1.09	–	0.06	–	–	–	8.93
Development activities (including mine construction)											
Purchases of assets and equipment	1.17	11.07	0.21	–	0.80	–	–	–	–	–	13.25
Civil work for construction of tunnels and roads	1.92	4.74	20.83	7.23	7.71	–	–	–	–	–	42.43
Others	1.14	6.26	–	–	6.59	4.39	–	–	–	–	18.38
Sub-total	4.23	22.07	21.04	7.23	15.10	4.39	–	–	–	–	74.06

	NFCA		Luanshya			SML		Kambove Mining			
	Chambishi Main and West Mine	Chambishi Southeast Mine	Southern Superficial Part of Muliashi Sulphide Mine	Roan Extended to the Southern Deep Part of Muliashi Sulphide Mine	Muliashi Strip Mine Oxidised Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine	MSESA Mine	Total
						(Million US$)					
Mining activities (excluding ore processing)											
Staff cost	1.95	6.79	–	–	–	–	–	–	–	–	8.74
Consumables	4.82	21.54	–	–	–	–	–	–	–	–	26.36
Fuel, electricity, water and other services	11.71	9.62	–	–	–	–	–	–	–	–	21.33
Depreciation	3.36	24.42	–	–	6.87	–	–	–	–	–	34.65
Sub-contracting charges	22.69	17.04	–	–	27.87	–	–	17.54	–	–	85.14
Transportation charges	–	–	–	–	–	–	–	–	–	–	–
Others	0.71	1.70	–	–	–	–	–	–	–	–	2.41
Sub-total	45.24	81.11	–	–	34.74	–	–	17.54	–	–	178.63

Marketing, Sales and Customers

The Group maintains commercial relationships with a range of customers globally. Pricing of the Group's copper products is generally referenced to the LME official cash settlement price for Copper Grade A, while pricing of sulphuric acid is generally determined on the basis of prevailing regional market prices.

For the year ended 31 December 2025, sales to the Group's five largest customers accounted for 74.1% of the Group's total sales, and sales to its largest customer, being the Retained Group, accounted for 54.1% of the Group's total sales. The second largest customer was the group comprising a non-controlling shareholder of subsidiaries and its subsidiaries.

Hedging

Depending on market conditions and copper price movements, the Group, primarily through CCS, may from time to time enter into short-term copper futures contracts to hedge its net exposure to copper price fluctuations arising from the timing mismatch between procurement of copper concentrate and sale of copper products. The Group has established strict internal control procedures in respect of hedging activities, including a designated futures trading group at CCS and dedicated risk management functions. The Group does not hold or issue financial instruments or derivative financial instruments for speculative or trading purposes. To mitigate commodity price risk, the Group has also adopted a sales strategy combining long-term and short-term orders together with hedging to enhance the turnover of spot inventory.

Supply Chain

The Group operates an integrated supply chain designed to provide goods and services that meet the technical, operational and sustainability requirements of its sites in Zambia, the DRC and other jurisdictions in which the Group operates. Prior to the award of any material contract or the placement of any material purchase order, prospective suppliers are required to satisfy the Group's due-diligence process, which encompasses commercial, safety, environmental, human-rights, quality, technical and social-performance criteria.

The Group's principal raw materials include copper concentrate (for the smelting operations) and copper tailings, oxide ore and mixed ores (for the leaching operations), in each case sourced both internally from the Group's own mining operations and externally from third-party suppliers. The Group's principal auxiliary materials include sulphuric acid (for leaching), explosives, diesel and other fuels, oxygen, electricity and water.

The Group has not experienced any material non-compliance incidents or grievances in relation to supply chain management that have had a significant impact on the Group for the years ended 31 December 2023, 2024 and 2025, and the six months ended 30 June 2026.

Community Relations

The Group attaches great importance to the development of its ESG framework and integrates the concept of sustainable development into the entire process of its production and operations. The Group maintains long-standing and constructive relationships with host governments, local communities and other relevant stakeholders at each of its operations in Zambia and the DRC.

In respect of localised development, the Group has continuously increased investment in public welfare, focusing on education, healthcare and infrastructure construction, and has launched a number of public welfare projects to support local economic and social development. The Group also promotes local employment, with approximately 89.6% of its workforce as at 30 June 2026 comprising employees of non-Chinese nationalities (primarily Zambian and DRC nationals).

Risk Management

The Board is responsible for the Group's risk management and internal control system and reviews its effectiveness on a periodic basis. The Audit Committee and the Compliance Committee assist the Board in monitoring the Company's risk tolerance, the design of the risk management and internal control system, and their operational effectiveness.

Audit Committee

The Audit Committee supervises and monitors the Company's risk management and internal control system on an ongoing basis, and reviews with the external auditors and senior management, at least annually, the scope, adequacy and effectiveness of the Company's accounting and financial monitoring, risk management and internal control systems, as well as any significant findings relating to risks or disclosure. Its annual review covers all material control areas, including financial, operational and compliance controls. In particular, the Audit Committee:

(a) discusses with senior management changes in the nature and extent of significant risks since the last review, and the Company's ability to respond to changes in its business and external environment;

(b) reviews the scope and quality of the ongoing monitoring of risks and internal controls performed by senior management, the internal audit function and, where applicable, other assurance providers, and the adequacy of resources, staff qualifications, training and budget of the Company's accounting, internal audit and financial reporting functions;

(c) considers significant control failings or weaknesses identified during the reporting period and any material impact they have or may have on the Company's financial performance, together with management's response;

(d) reviews the effectiveness of the Company's financial reporting procedures and compliance with the Listing Rules;

(e) reviews the internal audit function to ensure co-ordination with the external auditors and that the function is adequately resourced and has appropriate standing within the Company; and

(f) reports to the Board on any alleged fraud, non-compliance, control failures, violations or irregularities, and reports to the Shareholders, in the Corporate Governance Report, on its annual review of the effectiveness of the Company's risk management, internal control and internal audit functions.

Compliance Committee

The responsibilities of the Compliance Committee in respect of risk management and internal control include, but are not limited to, the following:

(a) devising mechanisms and procedures and making recommendations on improving the internal control system;

(b) improving and reviewing the effectiveness of the Company's risk management and internal control policies and making recommendations on their improvement;

(c) overseeing and monitoring the compliance of the Company's business and operations in accordance with applicable legal and regulatory requirements as well as with the risk management and internal control policies and procedures; and

(d) fostering a conducive compliance and risk culture within the Company and considering key risk and compliance issues in relation to the Company's commercial activities.

Employees

As at 30 June 2026, the Group had 9,005 employees, which comprised 939 Chinese employees and 8,066 local employees in Zambia, the DRC and Kazakhstan. The total cost of employees incurred by the Group for the six months ended 30 June 2026 amounted to approximately US$79.4 million, compared with approximately US$57.6 million for the corresponding period in 2025.

The Group's employees' remuneration is determined based on their performance, experience and the prevailing market practice. For the year ended 31 December 2025, the total cost of employees reflected in the Group's consolidated statement of profit or loss and other comprehensive income amounted to approximately US$141.6 million.

Through professional knowledge cultivation and comprehensive skills training, the Group seeks to improve the comprehensive quality, technical skills, safety awareness and management capabilities of its employees. For further information on the Group's employee training, please refer to the "Environmental, Social and Governance Report 2025" published by the Company.

For the years ended 31 December 2023, 2024 and 2025, and the six months ended 30 June 2026, there were no confirmed non-compliance incidents or grievances in relation to labour practices that have had a significant impact on the Group.

Health and Safety

Safety is one of the Group's core values. The Group believes that its most important assets are its employees, and considers injuries to its employees and/or damage to its physical assets a threat to its reputation and success. The Group is committed to providing effective training and appropriate and sufficient resources for its people to work safely and effectively.

The Group has established a Group-wide safety, security, health, environment and community management system, and has formulated comprehensive management mandates, including fatal risk management standards and SSHE performance standards, which define the unified requirements for work planning, resource allocation and operational execution. The Group insists that "zero harm and loss" shall serve as the primary principle for all employees and contractors in conducting their activities. It advocates the proactive safety philosophy that "all accidents and losses are preventable", and mandates that all employees and contractors take personal responsibility for their own safety as well as the safety of others, while continuously safeguarding the integrity of the Group's physical assets at all times.

Each of the Group's operating subsidiaries maintains a dedicated safety monitoring function charged with overseeing the safety of its mining operations, processing facilities and tailings dams, and conducts regular reviews of safety responsibilities across all plants. The Group has implemented a robust suite of safety-related training initiatives, including mandatory induction training for newly recruited employees and specialised certification training for high-risk roles (such as blast operations and handling of explosives). All personnel are equipped with personal protective equipment ("**PPE**") rigorously tailored to their specific tasks and operational environments. Furthermore, the Group enforces internal protocols that prescribe strict PPE standards, replacement cycles and application procedures across various positions. Employees without compliant PPE are strictly prohibited from entering any operational areas. In tandem with these safety measures, the Group organises routine occupational health screenings (with a particular focus on silicosis prevention) and first-aid training sessions for its workforce.

The Group has policies and programmes in place to monitor compliance with applicable health and safety laws and regulations in the jurisdictions in which it operates, and to identify areas of non-compliance and opportunities for improvement. Mine managers at the Group's operations, who are required under applicable mining safety laws to have the requisite mining and engineering qualifications, are entitled to carry out inspections at any time and suspend production due to a potential hazard.

As at 30 June 2026, excluding the safety incident at the NFCA Chambishi Mine disclosed in the "*Risk Factor — The Group's operations are exposed to safety risks and the occurrence of industrial accidents*" of this Offering Circular, the Group did not experience any other work-related fatalities at its operations.

Environment

The Group is committed to minimising its environmental footprint through the efficient use of natural resources, management of waste produced and adoption of a comprehensive life-cycle approach to reduce the environmental impacts caused by its operations.

In respect of ecological and environmental protection, the Group actively promotes the application of clean energy and resource recycling. Three of the Group's enterprises have adopted a green power supply model combining solar photovoltaic systems with energy storage, and four of the Group's subsidiaries have obtained ISO 14001 environmental management system certification, with continuous improvement in the standardised management of greenhouse gas emissions.

The Group prioritises compliance with applicable environmental laws and regulations in all jurisdictions where it operates and has procedures in place to respond to and remediate environmental incidents. For instance, following the SML Tailings Dam Incident on 18 February 2025, the resulting dam breach was swiftly sealed by the early hours of the following day, completely stopping the outward leakage of overflow water from the reservoir. The Group subsequently engaged with the relevant Zambian authorities and carried out environmental cleanup and restoration works as required by the relevant Zambian government departments. In August 2025, a spokesperson for the Zambian government publicly confirmed that all serious hidden dangers related to public health, water safety, agriculture, and the environment have now been fully controlled. Furthermore, following a public disclosure meeting convened by the Zambia Environmental Management Agency on 6 January 2026, SML scientifically and systematically developed an environmental remediation implementation plan. Currently, core remediation projects, including soil remediation, surface water treatment, and vegetation restoration, have been largely completed, and phased results have been achieved in the comprehensive environmental remediation efforts.

As at 30 June 2026, the Group did not incur any significant fines or penalties related to environmental management that have had a significant impact on the Group.

Insurance

The Group maintains insurance coverage in amounts that the Group believes are consistent with its risk of loss and the customary practice in its industry and the relevant jurisdictions in which it operates. The Group also has medical, health and workplace injury insurance for its employees and personal injury insurance for its overseas and on-site workers pursuant to the laws and regulations of the relevant jurisdictions. As at the date of this Offering Circular, the Group did not make any material claims under our insurance policies. We will continue to assess our risk portfolio and make necessary and appropriate adjustments.

Legal and Compliance

The Group is required to obtain and maintain valid permits, licences and certificates from various governmental authorities to conduct its business, including those required for the Group's exploration, mining, processing, leaching and smelting activities. As at the date of this Offering Circular, the Group has obtained and maintained all permits, licences and certificates material to its operations.

The Group is from time to time involved in legal proceedings arising in the ordinary course of its business, including as plaintiff or defendant in litigation or arbitration proceedings. In September 2025, a law firm claiming to represent certain local residents filed a petition with a local Zambian court in connection with the SML Tailings Dam Incident. The petition seeks the establishment of an environmental restoration fund of US$80.0 billion and an emergency relief fund of US$200.0 million. Currently, the case is in the stage of procedural review. Upon assessment, SML believes that there are discrepancies between the actual facts and some of the pending legal proceedings and claims, which lack both legal and factual basis. SML intends to vigorously defend against these allegations through all available legal channels and safeguard its legitimate rights and interests.

Following the incident, pursuant to Zambian laws and government regulatory requirements, SML promptly initiated emergency response and risk control measures, carried out environmental monitoring and rehabilitation, and compensated individual farmers timely in compliance with the compensation assessment reports issued by the relevant Zambian government authorities. With approval from the relevant government departments, SML formally resumed operations in January 2026. As at the date of the Offering Circular, the direct financial impact of the incident and the remediation works on the Group's operations and financial condition has not been material.

To the best of the Group's knowledge, other than as disclosed in "*Risk Factors — The Group is subject to risks relating to litigation and regulatory investigation proceedings*", there are no current litigation or arbitration proceedings against the Group or any of its senior management team members that could have a material adverse effect on its businesses, financial condition and results of operations.

DIRECTORS

The Board consists of six Directors, including one executive Director, two non-executive Directors and three independent non-executive Directors.

Name	Age	Position
Bo XIAO	43	Chairman, Executive Director
Yani GONG	45	Non-executive Director
Zhijiang CHEN	44	Non-executive Director
Huanfei GUAN	68	Independent Non-executive Director
Guangfu GAO	63	Independent Non-executive Director
Yufeng SUN	61	Independent Non-executive Director

Bo XIAO (肖波), aged 43, has been appointed as the Chairman of the Board, an executive Director of the Company, the Chairman of the Compliance Committee, a member of the Nomination Committee and a member of the Remuneration Committee with effect from 27 March 2025. Mr. Xiao has resigned as a member of the Nomination Committee with effect from 30 June 2025. He obtained a bachelor's degree in geology from the China University of Geosciences in 2006 and a doctoral degree in science in mineralogy, petrology and mineral deposits from the Graduate School of University of Chinese Academy of Sciences in 2011. Mr. Xiao joined the mineral exploration department of CNMC in November 2011. Since December 2024, he has been the general manager of the mining development department. He has served as the deputy director of the mineral exploration department, the director of the Africa regional office of the international business department and the deputy director of the board (strategy research office) of CNMC, the deputy manager of the technical department and the deputy director of the chief engineer's office of NFCA, and the deputy general manager and the general manager of Luanshya. Mr. Xiao is familiar with mineral geology and has more than 11 years of business management experience. He is also a senior engineer.

Yani GONG (龔亞妮), aged 45, has been appointed as a non-executive Director with effect from 27 December 2023. Ms. Gong was appointed as a member of the Nomination Committee, with effect from 30 June 2025. She majored in English (Economics and Trade) at the School of Foreign Languages in Central South University from 1997 to 2001. She obtained a bachelor's degree in arts from Central South University in 2001 and a master's degree in economics (specialising in global economics) from the School of Economics at Peking University in 2008. Ms. Gong obtained a senior economist qualification in 2013. Ms. Gong joined the personnel department of a subsidiary of CNMC in 2001, and subsequently held various positions in human resources and corporate management in CNMC and its subsidiaries, including the deputy director of the personnel deployment division of the personnel department, the director of the personnel deployment division of the personnel department, the director of the corporate management division (personnel department), and the deputy director of the human resources department of CNMC. In 2019, she was appointed as the chairman of Sino-Zam Vocational College of Science and Technology (中國贊比亞職業技術學院). She was appointed as the director of the party and people work department of CNMC in February 2025. Ms. Gong has over 25 years of professional experience in human resources and corporate management and is also a senior economist.

Zhijiang CHEN (陳志江), aged 44, has been appointed as a non-executive Director and a member of the Audit Committee with effect from 28 October 2025. He has obtained a Bachelor's degree in Accounting from Beijing Technology and Business University in 2003. Mr. Chen joined the Finance Department of China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd.* (中國有色金屬建設股份有限公司) ("**CNFC**", a subsidiary of CNMC) in July 2003. From September 2013 to November 2022, he held successive positions including head of Finance Department, finance manager at the Kazakhstan Representative Office, deputy manager of the Audit Department, deputy manager of the Budget Management Department and deputy director of the Finance Department at CNFC, and the chief financial officer of NFC Kazakhstan Ltd. From November 2022 to February 2025, he has served successively as head of the Accounting Management Division within the Finance Department and head of the Accounting and Tax Management Division within the Finance and Funds Department at CNMC. Since February 2025, he has been deputy general manager of the Finance Shared Centre at CNMC. Mr. Chen has over 12 years of experience in financial management and is a senior accountant.

Huanfei GUAN (關浣非), aged 68, is an independent non-executive Director of the Company, chairman of the Remuneration Committee, a member of each of the Audit Committee and the Compliance Committee, and was appointed to the Board on 28 August 2014. Mr. Guan has extensive experience in the finance and insurance industry in Hong Kong and China. He served in various senior managerial positions in People's Insurance Company of China* (Jilin Branch) (中國人民保險公司吉林省分公司), Hong Kong and Macao Regional Office of China Insurance Group* (中國保險港澳管理處), Ming An Insurance Company (Hong Kong) Limited (香港民安保險有限公司) and China Pacific Insurance Co., (HK) Ltd. (中國太平洋保險(香港)有限公司). Mr. Guan also held offices at the Bank of Communications, including the deputy chairman of the risk asset management committee, deputy chairman of credit asset management committee, chairman of loan verification committee, deputy general manager of the Bank of Communications Hong Kong Branch, the director of Bank of Communications Trustee Limited (交通銀行信託有限公司), the chairman and chief executive of China BOCOM Insurance Co., Ltd. (中國交銀保險有限公司) and an executive director and general manager of BoCommLife Insurance Company Limited. Mr. Guan was also an economic and technical consultant of Jilin Provincial Government for many years. Mr. Guan is now an independent non-executive director of Sunwah Kingsway Capital Holdings Limited (Hong Kong listed company code 0188), XinKong International Capital Holdings Limited (formerly known as Huarong International Financial Holdings Limited) (Hong Kong listed company code 0993), Shandong Hi-Speed Holdings Group Limited (formerly known as China Shandong Hi-Speed Financial Group Limited) (Hong Kong listed company code 0412) and DevGreat Group Limited (formerly known as Shanghai Zendai Property Limited) (Hong Kong listed company code 0755) (shares of those companies are listed on the Main Board of the Hong Kong Stock Exchange). He also served as an independent non-executive director of Guangdong – Hong Kong Greater Bay Area Holdings Limited (Hong Kong listed company code: 01396) from 27 June 2022 to 9 January 2026. Mr. Guan obtained a doctor's degree in Economics in 2000 from Wuhan University and has been a part-time researcher of the Insurance Research Centre of Fudan University since 2004. He has also been appointed as a part-time lecturer of professional degree in Fudan University since 2013. He has been appointed as a visiting professor of Jilin University of Finance and Economics since September 2019, and he has been appointed as an off-campus postgraduate tutor of the University of International Business and Economics since October 2022.

Guangfu GAO (高光夫), aged 63, has been appointed as an independent non-executive Director of the Company, the Chairman of the Audit Committee and member of the Nomination Committee with effect from 27 December 2023. He is a senior accountant, graduated from Central South University of Finance and Economics with a postgraduate major in Public Finance. He had studied as a visiting scholar at the Grenoble Alpes University in France. Mr. Gao had served as the deputy chief financial officer and chief economist of State Power Investment Corporation Limited (國家電力投資集團公司), the director and deputy chief financial officer of finance department of China Power Investment Corporation (中國電力投資集團公司), the general manager of China Power Investment Finance Co., Ltd (中電投財務有限公司), the deputy director of finance and property management department of State Power Corporation of China (國家電力公司), a director of China Power International Holding Limited, a non-executive director of China Power International Development Limited (a company listed on the Stock Exchange of Hong Kong, stock code: 2380), a director of Shanghai Electric Power Co., Ltd. (上海電力股份有限公司, a company listed on Shanghai Stock Exchange, stock code: 600021) and a director of SPIC Yuanda Environmental-Protection Co., Ltd. (國家電投遠達環保股份有限公司, a company listed on Shanghai Stock Exchange, stock code: 600292). Mr. Gao had also served as a director of the Accounting Society of China (中國會計學會) and a director of the China Association of Chief Financial Officers (中國總會計師協會).

Yufeng SUN (孫玉峰), aged 61, has been appointed as an independent non-executive Director of the Company, the Chairman of the Nomination Committee, and a member of the Remuneration Committee and the Compliance Committee with effect from 21 March 2025. He obtained a Bachelor's degree in English Literature from the Shanghai International Studies University in 1987 and a Master's degree in Business Administration from the University of Delaware in the United States in 1997. Mr. Sun joined the CITIC Group Corporation in 1987 and CITIC Metal Co., Ltd. in 1999. He acted as the president and the chairman of CITIC Metal Co., Ltd. between 2003 and 2016, where he was responsible for managing trading and investment businesses. He acted as the vice-chairman and president of CITIC Metal Group Limited from January 2017 to May 2023. From March 2019 to April 2023, he acted as an executive director and the chairman of CITIC Resources Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited (Stock Code: 1205), where he was responsible for the strategic and corporate development, management and operations of the group. From September 2018 to July 2023, Mr. Sun was a non-executive co-chairman of Ivanhoe Mines Ltd., a company listed on the Toronto Stock Exchange (Stock Code: IVN) and OTC Markets Group, Inc. (Stock Code: IVPAF). Mr. Sun possesses over 30 years of experience in the metal trading and mining sector, including business management and investment.

SENIOR MANAGEMENT

The following table provides information about members of the senior management of the Group:

Name	Age	Position
Dayong YANG	56	president, director of CNMHKI and CNMH
Jingjun WANG	58	vice president, chairman of NFCA and SML
Lei JIANG	44	vice president, chairman of Luanshya
Tian WANG	52	vice president, chairman of CCS
Jinghe ZHU	57	vice president, chairman of CNMHK
Zhimin CHEN	49	vice president, chairman of Lualaba Copper Smelter
Chong LI	43	vice president, chairman of Kambove Mining
Xiwen SUN	49	vice president, director of CNMHKI and CNMH
Bo YOU	51	chief financial officer, director of CNMHKI and CNMH

Dayong YANG (楊大勇), aged 56, is the president of the Company and was appointed as and joined the senior management of the Company on 6 July 2019, who is in charge of compliance management. Mr. Yang was appointed as President of the Company on 27 December 2023. He currently serves as a director of CNMHKI and CNMH. He was appointed as the chief compliance officer and a joint company secretary of the Company on 1 April 2020 and 27 April 2020, respectively. He resigned as joint company secretary on and chief compliance officer on 7 March 2022 and 24 November 2025, respectively. Mr. Yang commenced his career at the former Ministry of Foreign Trade and Economic Cooperation of the PRC (currently known as the Ministry of Commerce of the PRC ("**MOFCOM**")) in 1992. He used to serve as the deputy division head and the division head of the Department of Outward Investment and Economic Cooperation of the MOFCOM. Mr. Yang's rich public administration experience also includes his services at the Economic and Commercial Counsellor's Office of the Embassy of the PRC in the Swiss Confederation and the Economic and Commercial Counsellor's Office of the Embassy of the PRC in the Republic of France. From September 2012 to January 2019, Mr. Yang served as the deputy director of the strategic planning department (previously known as "strategic research office") of CNMC, a controlling shareholder of the Company. Mr. Yang graduated from Beijing Foreign Studies University with a bachelor's degree in French language. From September 2011 to August 2012, Mr. Yang attended an international public administration study programme at École Nationale d'Administration as a candidate sponsored by the French government.

Jingjun WANG (王晶軍), aged 58, is a vice president of the Company, and was appointed as the senior management of the Company on 17 March 2023, who is in charge of NFCA and SML, and is currently the chairman of NFCA and SML. Mr. Wang has over 33 years of experience in nonferrous metals industry. He joined Luanshya in 2009 and successively served as deputy general manager, general manager, and chairman. He served as the chairman of NFCA and SML in 2025. Mr. Wang graduated from Southern Institute of Metallurgy (currently known as Jiangxi University of Science and Technology) in 1992 with a Bachelor of Engineering degree in safety engineering from the Department of Mining. He graduated from University of Science and Technology Beijing with a master's degree in engineering specializing in mining engineering in 2017. He obtained the title of professor-level senior engineer in 2018.

Lei JIANG (蔣雷), aged 44, is a vice president of the Company, and was appointed as the senior management of the Company on 30 September 2025, who is in charge of Luanshya, and is currently the chairman of Luanshya. Mr. Jiang has 20 years of business management experience. He joined China 15th Metallurgical Construction Group Co., Ltd. (中國十五冶金建設集團有限公司) ("**CNMC 15th Metallurgical**", a subsidiary of CNMC) in July 2004. From January 2015 to October 2024, he successively served as assistant manager of the Luanshya Mining Project and the deputy manager of CNMC 15th Metallurgical, chairman of Fifteen MCC Africa Construction & Trade Ltd (中國十五冶非洲建築貿易有限公司), and deputy general manager of CNMC 15th Metallurgical. From October 2024 to September 2025, he served as general manager of CNFC. Mr. Jiang graduated from the College of Water Conservancy and Architectural Engineering Northwest Sci-Tech University of Agriculture and Forestry with a bachelor's degree in Civil Engineering in 2004. He obtained the title of professor-level senior engineer in 2023.

Tian WANG (王闐), aged 52, is a vice president of the Company, and was appointed as the senior management of the Company on 17 March 2023, who is in charge of the CCS and is currently the chairman of CCS. Mr. Wang has over 29 years of experience in nonferrous metallurgy. Since 2019, he has served as the deputy general manager of CCS and the deputy general manager of Luanshya for the same period. In 2021, he became the chairman of the board of directors of CCS. Mr. Wang joined the Company in 2023 as vice president. Mr. Wang graduated from Central South University of Technology (currently known as Central South University) in 1996 with a Bachelor of Engineering degree in Metallurgy from the Department of Nonferrous Metallurgy. He graduated from Central South University in 2009 and Missouri State University in 2011 with a master's degree in engineering in metallurgical engineering and a master's degree in business administration, respectively. He obtained the title of professor-level senior engineer in 2017.

Jinghe ZHU (朱景和), aged 57, is a vice president of the Company, and was appointed as the senior management of the Company on 21 April 2025, who is in charge of CNMHK and is currently the chairman of CNMHK. Mr. Zhu has over 21 years of business management experience. From 2004 to 2025, he successively served as deputy manager of the investment department, deputy director of the science and technology department, director of the science and technology department, director of the investment mineral exploration department, and general manager of the technology and digital department of CNMC. Mr. Zhu graduated from the Department of Mining Southern Institute of Metallurgy with a bachelor's degree in Mineral Processing Engineering in 1991. He graduated from the Department of Materials Engineering of Mining Southern Institute of Metallurgy (now known as Jiangxi University of Science and Technology) with a master's degree in Non-ferrous Metallurgy in 2000. He graduated from the School of Civil and Environmental Engineering of University of Science and Technology Beijing with a doctoral degree in Mining Engineering in 2004. He obtained the title of professor-level senior engineer in 2009.

Zhimin CHEN (陳志敏), aged 49, is a vice president of the Company, and was appointed as and joined the senior management of the Company on 21 February 2022, who is in charge of the production and operation and compliance operation of Lualaba Copper Smelter and is currently the chairman of Lualaba Copper Smelter. Mr. Chen has over 27 years of experience in metal industry. He served as the office secretary of former Shizishan Copper Mine of Tongling Nonferrous and deputy secretary of youth league committee of Dongguashan Copper Mine of Tongling Nonferrous. From 2008 to 2025, Mr. Chen successively served as the general counsel, manager and deputy general manager of general office of NFCA, chairman of SML and chairman of CNMHK. Mr. Chen graduated from University of Science and Technology Beijing and obtained a master's degree in mining engineering in 2015.

Chong LI (李沖), aged 43, is a vice president of the Company, and was appointed as the senior management of the Company on 21 April 2025, who is in charge of the production and operation and compliance operation of Kambove Mining and is currently the chairman of Kambove Mining. Mr. Li has 16 years of experience in nonferrous project management. From 2010 to 2021, he successively served as cost engineer, assistant manager of the Muliashi Project and deputy manager of the technical department of Luanshya, as well as deputy manager and manager of the engineering department of Societe Miniere de Deziwa S.A.S. (迪茲瓦礦業股份有限公司) (a subsidiary of CNMC). He joined Kambove Mining in 2021 and successively served as deputy general manager, general manager and chairman. Mr. Li graduated from the Department of Hydraulic Engineering Dalian University of Technology with a bachelor's degree in Engineering Management in 2006, and graduated from the School of Civil and Environmental Engineering University of Science and Technology Beijing with a master's degree in Mining Engineering in 2019. He obtained the title of professor-level senior engineer in 2025.

Xiwen SUN (孫希文), aged 49, is a vice president of the Company, and was appointed as and joined the senior management of the Company on 18 May 2021, who is in charge of the development of overseas mineral resources. He currently serves as a director of CNMHKI and CNMH. Mr. Sun has over 19 years of experience in nonferrous metal industry. He was appointed as the director of the mining development department of CNMC in January 2025. He worked for the China Non-Ferrous Metals Resource Geological Survey Centre and Sinomine Resource Exploration Co., Ltd. From December 2012 to May 2021, he successively served as the deputy head of geological division of mineral exploration department, head of resource development division of mineral exploration department, head of resource development division of investment mineral exploration department, head of African region of international business department of CNMC. Mr. Sun graduated from the University of Utah and obtained a master's degree in geology science in 2006.

Bo YOU (游波), aged 51, is the chief financial officer of our Company and was appointed as and joined the senior management of Company on 27 February 2023. She currently serves as a director of CNMHKI and CNMH. Ms. You has 27 years of experience in financial management. Ms. You joined China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd. (中國有色金屬建設股份有限公司) (a subsidiary of CNMC) in 1996, and successively served as the chief accountant, the head, the deputy manager of its Financial Department, the manager and director of the Audit Department. She joined our Company in 2023 and has served as chief financial officer ever since. Ms. You graduated from Jiangxi University of Finance and Economics with a bachelor's degree in economics and a bachelor's degree in laws in 1996. She also obtained the title of non-practising registered accountant, tax adviser and senior accountant in 2003, 2006 and 2009, respectively.

PRINCIPAL SHAREHOLDERS

So far as is known to the Directors and the chief executive officer of the Company, as at 30 June 2026, the following persons had interests or short positions in the Shares or underlying Shares of the Company that were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "**SFO**"), or that were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position in the Shares of the Company as at 30 June 2026

Substantial Shareholders	Capacity/Nature of interest	Number of Shares held[1]	Approximate percentage of total number of issued Shares (%)[2]
CNMD[1]	Registered owner	2,600,000,000	66.63%
CNMC	Interest in a controlled corporation	2,600,000,000	66.63%

(1) CNMD is a wholly-owned subsidiary of CNMC and therefore, according to the SFO, CNMC is deemed or taken to be interested in all the shares which are owned by CNMD.

Save as disclosed above, as at 30 June 2026, no person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

As at 30 June 2026, each of the following entities was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Member of the Group	Entity with 10% or more interest (other than member of the Group)	Percentage of that entity's interest
NFCA	Zambia Consolidated Copper Mines Investments Holdings Plc ("**ZCCM-IH**")	15%
Luanshya	ZCCM-IH	20%
CCS	Yunnan Copper Industry (Group) Co., Ltd* (雲南銅業集團有限公司)	40%
SML	Hong Kong Zhongfei Mining Investment Limited ("**Hong Kong Zhongfei**")	30%
Huachin Leach	Huachin SARL	32.5%
CNMC Huachin Mabende	Huachin SARL	33.25%
China Nonferrous Mining Hong Kong Holdings Limited	Hong Kong Zhongfei	30%
Kambove Mining	La Generale des Carrieres et des Mines SA	40%
Lualaba Copper Smelter	Yunnan & Hongkong Metal Company Limited ("**YH Metal**")	38%
Kingsail Limited	YH Metal	40%
SM Minerals	Ainur Mukhatayeva	25.5%

Save as disclosed above, as at 30 June 2026, no other persons were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote under all circumstances at general meetings of any other member of the Group.

RELATED PARTY TRANSACTIONS

As at the date of this Offering Circular, the Company is controlled by CNMC through China Nonferrous Mining Development Limited, which is a subsidiary of CNMC. The Directors consider the ultimate holding company of the Company is CNMC, a state-owned company established in the PRC.

The following is a summary of significant related party transactions entered into in the ordinary course of business between the Group and its related parties during the periods indicated.

Key Management Personnel Remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and certain of the highest paid employees is as follows:

	Year ended 31 December		
	2023	**2024**	**2025**
	(US$'000)	*(US$'000)*	*(US$'000)*
Short-term benefits	1,464	1,403	1,652
Post-employment benefits	108	102	137
	1,572	**1,505**	**1,789**

Transactions with Related Parties

Transactions with CNMC and its subsidiaries

		Year ended 31 December		
Relationships	**Nature of transactions**	**2023**	**2024**	**2025**
		(US$'000)	*(US$'000)*	*(US$'000)*
Fellow subsidiaries	Sales of blister copper and copper anodes[1][2]	1,039,673	1,281,480	1,144,690
	Sales of copper cathodes[1][3]	794,710	700,161	824,448
	Sales of sulphuric acid[1]	17,101	11,558	9,128
	Sales of other materials[1]	14,644	5,273	–
	Services income[1]	23	123	118
	Purchases of plant and equipment[1]	(19,106)	(4,208)	(4,284)
	Purchases of copper concentrate[1][4]	(31,377)	(50,080)	(68,843)
	Purchases of materials[1]	(109,033)	(175,643)	(174,343)
	Purchases of electricity[1]	(43,198)	(45,728)	(47,852)
	Purchases of services[1]	(193,590)	(137,115)	(161,022)
	Purchases of right-of-use assets[1]	–	–	(41,622)

Relationships	Nature of transactions	Year ended 31 December		
		2023	2024	2025
		(US$'000)	*(US$'000)*	*(US$'000)*
	Interest income from deposit[(1)]	–	–	17,576
	Interest expenses on borrowings[(1)]	(8,258)	(6,499)	(712)
	Interest expenses on lease liabilities[(1)]	(323)	(1)	–
	Purchase of freight and transportation[(1)]	(34,161)	(22,206)	(20,116)
	Expense relating to leases[(1)]	(5,449)	(164)	(219)
	Average daily deposit balance[(1)]	9,827	12,619	385,720

Notes:

(1) These transactions were conducted in accordance with the terms of the relevant agreements.

(2) Included in the sales amount of blister copper and copper anodes are losses of US$5,175,000, US$9,054,000 and gains of US$23,744,000 arising from a provisional pricing arrangement for the years ended 2023, 2024 and 2025, respectively.

(3) Included in the sales amount of copper cathodes are losses of US$4,630,000, losses of US$5,199,000 and gains of US$26,433,000 arising from a provisional pricing arrangement for the years ended 2023, 2024 and 2025, respectively.

(4) Included in the purchase amount of copper concentrate are gains of US$2,425,000, gains of US$1,220,000 and losses of US$4,343,000 arising from a provisional pricing arrangement for the years ended 2023, 2024 and 2025, respectively.

TERMS AND CONDITIONS OF THE BONDS

The following, subject to amendment and save for the paragraphs in italics, are the terms and conditions of the Bonds, as they will appear on the reverse of each of the definitive certificates representing the Bonds:

The issue of the U.S.$300,000,000 in aggregate principal amount of zero coupon convertible bonds due 2031 (the "**Bonds**", which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 15 (*Further Issues*) and consolidated and forming a single series therewith) of China Nonferrous Mining Corporation Limited (中國有色礦業有限公司) (the "**Issuer**") and the right of conversion into Shares (as defined in Condition 6(a)(v) (*Meaning of "Shares"*)) was authorised by the general mandate granted to the board of directors of the Issuer by the shareholders of the Issuer at the annual general meeting of the Issuer held on 25 June 2026 and minutes of a meeting of the board of directors of the Issuer dated 25 June 2026. The Bonds are constituted by a trust deed (as amended and/or supplemented from time to time, the "**Trust Deed**") dated 2 September 2026 (the "**Issue Date**") made between the Issuer and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) (the "**Trustee**", which expression shall include all persons for the time being acting as trustee or trustees under the Trust Deed) as trustee for itself and the holders (as defined below) of the Bonds. These terms and conditions (these "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. The Issuer has entered into a paying, conversion and transfer agency agreement dated 2 September 2026 (as amended and/or supplemented from time to time, the "**Agency Agreement**") relating to the Bonds made between the Issuer, the Trustee, China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as principal paying agent (the "**Principal Paying Agent**") and principal conversion agent (collectively in such capacities, the "*Principal Agent*", which expression shall include any successor principal agent appointed from time to time in connection with the Bonds), China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as registrar (the "**Registrar**", which expression shall include any successor registrar appointed from time to time in connection with the Bonds) and transfer agent (the "**Transfer Agent**", which expression shall include any additional or successor transfer agent appointed from time to time in connection with the Bonds), and the other paying agents, conversion agents and transfer agents appointed therein (each a "**Paying Agent**", a "**Conversion Agent**" or, as applicable, a "**Transfer Agent**" and together with the Registrar and the Principal Agent, the "**Agents**"). References to the "**Paying Agents**", the "**Transfer Agents**" or, as the case may be, the "**Conversion Agents**" each include the Principal Agent and any successor and additional Paying Agent, Transfer Agent or, as the case may be, Conversion Agent appointed from time to time in connection with the Bonds. References to the "**Principal Agent**", the "**Registrar**" and the "**Agents**" below are references to the principal agent, the registrar and the agents for the time being for the Bonds. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

Copies of the Trust Deed and the Agency Agreement are available (a) for inspection at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time), Monday to Friday other than public holidays) at the specified office for the time being of the Principal Agent (being, at the time of issue of the Bonds, at 3/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong) and (b) electronically to a requesting Bondholder from the Principal Agent, in each case following prior written request and provision of proof of holding and identity to the satisfaction of the Principal Agent. The Bondholders (as defined below) are entitled to the benefit of and are bound by all provisions of the Trust Deed and are deemed to have notice of (i) all the provisions of the Trust Deed and (ii) those provisions of the Agency Agreement applicable to them.

1 Status

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to Condition 4(a) (*Negative Pledge*), at all times rank at least equally with all of its other present and future direct, unconditional, unsubordinated and unsecured obligations.

2 Form, Denomination and Title

(a) *Form and Denomination:* The Bonds are issued in registered form in the specified denomination of U.S.$200,000 each and integral multiples of U.S.$200,000 in excess thereof (the "**Authorised Denomination**"). A bond certificate (each a "**Certificate**") will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders (the "**Register**") which the Issuer will procure to be kept by the Registrar.

*Upon issue, the Bonds will be represented by a global certificate (the "**Global Certificate**") deposited with, and registered in the name of a nominee of, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). When the Bonds are represented by the Global Certificate, the Conditions are modified by certain provisions contained in the Global Certificate. See "Provisions relating to the Bonds in Global Form".*

(b) *Title:* Title to the Bonds passes only by transfer and registration in the Register as described in Condition 3 (*Transfers of Bonds; Issue of Certificates*). The holder of any Bond shall (except as otherwise required by law or ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing (other than an endorsed form of transfer) on, or the theft or loss of, the Certificate issued in respect of it) and the Trustee, the Agents and any other person shall not be liable for so treating the holder. In these Conditions, "**Bondholder**" and (in relation to a Bond) "**holder**" mean the person in whose name a Bond is registered (or in the case of a joint holding, the first named thereof).

3 Transfers of Bonds; Issue of Certificates

(a) *Register:* The Issuer will cause the Register to be kept at the specified office of the Registrar outside the United Kingdom and in accordance with the terms of the Agency Agreement on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers, redemptions and conversions of the Bonds. Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

(b) *Transfer:* Subject to Conditions 3(e) (*Closed Periods*) and 3(f) (*Regulations*) and the terms of the Agency Agreement, a Bond may be transferred by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the

holder or his attorney duly authorised in writing, to the specified office of either the Registrar or any of the Transfer Agents together with such evidence as the Registrar or (as the case may be) such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of the transfer; *provided,* however, that a Bond may not be transferred unless the principal amount of the Bond transferred and (where not all of the Bonds held by the holder are being transferred) the principal amount of the balance of the Bonds not so transferred, is an Authorised Denomination. Where not all Bonds represented by the surrendered Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Bonds will be issued to the transferor. No transfer of a Bond will be valid or effective unless and until entered on the Register.

Transfers of interests in the Bonds represented by the Global Certificate will be effected in accordance with the rules and procedures of the relevant clearing systems.

(c) *Delivery of New Certificates:* Each new Certificate to be issued upon a transfer or (if applicable) conversion of Bonds will, within seven business days of receipt by the Registrar or, as the case may be, the relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder and at the Issuer's expense) to the address specified in the form of transfer.

Except in the limited circumstances described in the Global Certificate, owners of interests in the Bonds will not be entitled to receive physical delivery of Certificates. The Bonds are not issuable in bearer form.

Where only part of the principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, redeemed, converted or repurchased, a new Certificate in respect of the Bonds not so transferred, redeemed, converted or repurchased will, within seven business days of delivery of the original Certificate to the Registrar or the relevant Transfer Agent, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, redeemed, converted or repurchased (but free of charge to the holder and at the Issuer's expense) to the address of such holder appearing on the Register.

For the purposes of this Condition 3 (*Transfers of Bonds; Issue of Certificates*) and Condition 6 (*Conversion*), "**business day**" shall mean a day other than a Saturday, Sunday or public holiday on which commercial banks are generally open for business in the city in which the specified office of the Conversion Agent, the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Transfer Agent with whom a Certificate is deposited in connection with a transfer, settlement or conversion is located.

(d) *Formalities Free of Charge:* Registration of a transfer of Bonds and issuance of new Certificates will be effected, without charge to the relevant holder of such Bonds, by or on behalf of the Issuer, the Registrar or any Transfer Agents, but (i) upon payment (or the giving of such indemnity and/or security and/or pre-funding as the Issuer or the Registrar or

the relevant Transfer Agent may require) in respect of any tax, duties, assessments or other governmental charges which may be levied or imposed in connection with such transfer or issuance and (ii) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied in its absolute discretion with the documents of title and identity of the person making the application and (iii) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied that Condition 3(f) (*Regulations*) has been complied with.

(e) *Closed Periods:* No Bondholder may require the transfer of a Bond to be registered (i) during the period of 15 days ending on (and including) the dates for payment of any principal pursuant to these Conditions; (ii) after a Conversion Notice (as defined in Condition 6(b) (*Conversion Procedure*)) has been delivered with respect to such Bond; and (iii) after a Relevant Event Redemption Notice (as defined in Condition 8(e) (*Redemption for the Relevant Event*)) has been deposited in respect of such Bond pursuant to Condition 8(e) (*Redemption for the Relevant Event*) or after a put notice has been deposited in respect of such Bond pursuant to Condition 8(d) (*Redemption at the Option of the Bondholders*). Each such period is a "**Closed Period**".

(f) *Regulations:* All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds, the initial form of which is scheduled to the Agency Agreement (the "**Regulations**"). The Regulations may be changed by the Issuer (with the prior written approval of the Registrar and the Trustee) or by the Registrar (with the prior written approval of the Trustee). A copy of the current Regulations will be made available (free of charge and at the cost of the Issuer) by the Registrar to any Bondholder following prior written request and provision of proof of holding of the Bonds and identity to the satisfaction of the Registrar and is available for inspection following prior written request and provision of proof of holding and identity to the satisfaction of the Registrar at all reasonable times during normal business hours (being between 9.00 a.m. (Hong Kong time) and 3.00 p.m. (Hong Kong time) Monday to Friday except for public holidays) at the specified office of the Registrar.

4 Covenants

(a) *Negative Pledge:* So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not, and the Issuer shall procure that none of its Subsidiaries will, create, permit to subsist or arise or have outstanding, any Encumbrance upon the whole or any part of their respective present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee of or indemnity in respect of any Relevant Indebtedness unless, at the same time or prior thereto, the Bonds are secured equally and rateably (i) therewith or by the same Encumbrance or (ii) by such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed).

(b) *Financial Statements:* So long as any Bond remains outstanding, the Issuer shall send to the Trustee:

(i) as soon as practicable after their date of publication and in any event not more than 120 days after the end of each financial year (being 31 December of that financial year), the copies of the consolidated audited annual financial statements of the Issuer (audited by a certified public accountant qualified in Hong Kong) prepared and

presented in accordance with HKFRSs, and if such statements shall be in the Chinese language, together with an English translation of the same translated by either (x) a nationally recognised firm of independent accountants, or (y) a professional translation service provider, which is, in the case of (y) above, either (a) checked by a nationally recognised firm of independent accountants or (b) accompanied with a certificate signed by a director or a duly authorised officer of the Issuer certifying that such translation is complete and accurate;

(ii) as soon as practicable after their date of publication and in any event not more than 60 days after the end of each semi-annual financial period (being 30 June of that financial year), the copies of the unaudited but reviewed consolidated semi-annual financial statements of the Issuer (which comprise a consolidated statement of financial position, a consolidated statement of changes in equity, a consolidated statement of profit or loss and other comprehensive income, and a consolidated cash flow statement with notes as at the end of, and for the relevant semi-annual period) prepared and presented in accordance with HKFRSs consistently applied, and if such statements shall be in the Chinese language, together with an English translation of the same translated by either (x) a nationally recognised firm of independent accountants, or (y) a professional translation service provider, which is, in the case of (y) above, either (a) checked by a nationally recognised firm of independent accountants or (b) accompanied with a certificate signed by a director or a duly authorised officer of the Issuer certifying that such translation is complete and accurate; and

(iii) provide to the Trustee (A) within ten Business Days of any written request by the Trustee and (B) annually at the same time the Issuer uploads the consolidated annual financial statements to the stock exchange on which its capital stock is listed for trading, a compliance certificate in English of the Issuer signed by an Authorised Signatory (as defined in the Trust Deed), which shall be substantially in the form scheduled to the Trust Deed, certifying that, having made all reasonable enquiries, to the best knowledge, information and belief of the Issuer as of a specified date not earlier than five days prior to the date of such certificate (the "**Certified Date**") that:

(a) no Event of Default, Potential Event of Default (as defined in the Trust Deed) or Relevant Event had occurred since the relevant Certified Date of the immediately preceding certificate or (if there has been no such certificate previously) the Issue Date, or, if such an event had occurred, giving details of it and the action which the Issuer proposes to take with respect thereto; and

(b) the Issuer has complied with all of its covenants and obligations under the Trust Deed, the Bonds and the Agency Agreement, and if non-compliance had occurred, giving details of it.

provided that, for so long as the capital stock of the Issuer is listed for trading on a recognised stock exchange, the Issuer shall not be required to separately deliver to the Trustee the financial statements referred to in Conditions 4(b)(i) and 4(b)(ii) where comparable financial statements of the Issuer have been filed with the exchange on which the Issuer's capital stock is at such time listed for trading.

(c) *Maintenance of Shareholding:* So long as any Bond remains outstanding, the Issuer undertakes that China Nonferrous Metal Mining (Group) Co., Ltd. shall, at all times, hold or control more than 51 per cent. of the voting rights of the issued share capital of the Issuer.

(d) *NDRC Post-Issuance Filings:* The Issuer undertakes that it will file or cause to be filed with the National Development and Reform Commission of the PRC or its local counterparts (the "**NDRC**"), within 10 Registration Business Days after the Issue Date, the requisite information and documents in respect of the Bonds in accordance with the NDRC Administrative Measures and any implementation rules, regulations, certificates, circulars or notices in connection therewith as issued by the NDRC from time to time (the "**NDRC Post-Issuance Filings**").

(e) *Notification of Submission of NDRC Post-Issuance Filing:* The Issuer shall within five Registration Business Days after the submission of the NDRC Post-Issuance Filing, provide the Trustee with (i) a certificate (substantially in the form scheduled to the Trust Deed) in English signed by an Authorised Signatory (as defined in the Trust Deed) confirming (A) the submission of the NDRC Post-Issuance Filing and (B) no Relevant Event, Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred; and (ii) copies of the relevant documents (if any) evidencing the NDRC Post-Issuance Filing, certified in English by an Authorised Signatory as a true and complete copy of the original (the items specified in (i) and (ii) together, the "**NDRC Registration Documents**"). In addition, the Issuer shall, within ten Registration Business Days after the documents comprising the NDRC Registration Documents are delivered to the Trustee, give notice to the Bondholders (in accordance with Condition 16 (*Notices*)) confirming the submission of the NDRC Post-Issuance Filing.

The Trustee and the Agents may rely conclusively without verification or investigation on the NDRC Registration Documents and shall have no obligation or duty to monitor or ensure that the NDRC Post-Issuance Filings are filed with the NDRC or completed within the prescribed timeframes in accordance with these Conditions, the NDRC Administrative Measures and/or any other applicable PRC laws and regulations or to verify the accuracy, content, completeness, validity and/or genuineness of any certificate, NDRC Registration Documents or other documents in relation to or in connection with the NDRC Post-Issuance Filings or to translate or procure the translation into English of the NDRC Registration Documents or any certificates, confirmations or other documents in connection with the NDRC Post-Issuance Filings or to review or verify the accuracy of any English translation thereof or to give notice to the Bondholders confirming the completion of the NDRC Post-Issuance Filings, and shall not be liable to the Issuer, the Bondholders or any other person for not doing so.

(f) *CSRC Post-Issuance Filings:* The Issuer undertakes to file or cause to be filed with the CSRC within the relevant prescribed timeframes after the Issue Date the requisite information and documents in respect of the Bonds in accordance with the CSRC Filing Rules (the "**CSRC Post-Issuance Filings**", which for the avoidance of doubt, includes the Initial CSRC Post-Issuance Filing) and comply with the continuing obligations under the CSRC Filing Rules and any implementation rules as issued by the CSRC from time to time.

(g) *Notification of Submission of the Initial CSRC Post-Issuance Filing:* The Issuer shall:

(i) file or cause to be filed the CSRC Filing Report and other requisite information and documents in respect of the Bonds that are required to be filed with the CSRC within three Registration Business Days after the Issue Date in accordance with the CSRC Filing Rules (the "**Initial CSRC Post-Issuance Filing**");

(ii) within five Registration Business Days after the submission of the Initial CSRC Post-Issuance Filing, provide the Trustee with (a) a certificate (substantially in the form scheduled to the Trust Deed) in English signed by an Authorised Signatory confirming the submission of the Initial CSRC Post-Issuance Filing; and (b) copies of the relevant documents evidencing the Initial CSRC Post-Issuance Filing (if any) certified in English by an Authorised Signatory as a true and complete copy of the original (the items specified in (a) and (b) together, the "**CSRC Registration Documents**"). In addition, the Issuer shall, within ten Registration Business Days after the documents comprising the CSRC Registration Documents are delivered to the Trustee, give notice to the Bondholders (in accordance with Condition 16 (*Notices*)) confirming the submission of the Initial CSRC Post-Issuance Filing.

The Trustee and the Agents may rely conclusively without verification or investigation on the CSRC Registration Documents and shall have no obligation or duty to monitor or ensure that the Initial CSRC Post-Issuance Filing or CSRC Post-Issuance Filings are filed with the CSRC, or completed within the prescribed timeframes in accordance with these Conditions, the CSRC Filing Rules and/or any other applicable PRC laws and regulations or to verify the accuracy, content, completeness, validity and/or genuineness of any certificate, CSRC Registration Documents or other documents in relation to or in connection with the CSRC Post-Issuance Filings or to translate or procure the translation into English of the CSRC Registration Documents or any certificates, confirmations or other documents in connection with the CSRC Post-Issuance Filings or to review or verify the accuracy of any English translation thereof or to give notice to the Bondholders confirming the completion of the CSRC Post-Issuance Filings, and shall not be liable to the Issuer, the Bondholders or any other person for not doing so.

In these Conditions:

(i) "**CSRC**" means the China Securities Regulatory Commission of the PRC;

(ii) "**CSRC Filing Report**" means the filing report of the Issuer in relation to the issuance of the Bonds which will be submitted to the CSRC within three Registration Business Days after the Issue Date pursuant to Articles 13 and 16 of the CSRC Filing Rules;

(iii) "**CSRC Filing Rules**" means the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) and supporting guidelines issued by the CSRC on 17 February 2023 (effective from 31 March 2023), as amended, supplemented or otherwise modified from time to time;

(iv) "**Encumbrance**" means any mortgage, charge, pledge, lien or other encumbrance or security interest securing any obligation of any person or any other arrangement with similar economic effect;

(v) "**HKFRSs**" means the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (as in effect from time to time);

(vi) "**NDRC Administrative Measures**" means the Administrative Measures for the Examination and Registration of Medium and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) issued by the NDRC on 5 January 2023 and became effective on 10 February 2023;

(vii) "**PRC**" means the People's Republic of China and, for the purposes of these Conditions, except where the context requires, does not include the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

(viii) "**Registration Business Day**" means a day, other than a Saturday, Sunday or public holiday, on which commercial banks are generally open for business in Beijing;

(ix) "**Relevant Indebtedness**" means any future or present indebtedness incurred outside the PRC in the form of or represented by debentures, loan stock, bonds, notes or other similar securities which are, or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or on any other securities market (which, for the avoidance of doubt, does not include bilateral loans, syndicated loans or club deal loans); and

(x) any reference to a "**subsidiary**" or "**Subsidiary**" of any person is to (i) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees or equivalent body of such company or other business entity or (ii) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws, regulations or generally accepted accounting principles from time to time of Hong Kong, should have its accounts consolidated with those of that person.

5 Interest

The Bonds are zero coupon and do not bear interest unless, upon due presentation thereof, payment of the full amount due is improperly withheld or refused. In such event, such unpaid amount shall bear interest at the rate of 2.00 per cent. per annum (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (ii) the day falling seven days after the Trustee or the Principal Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant Bondholder under these Conditions).

If interest is required to be calculated in respect of any Bond (i) it shall be calculated per U.S.$200,000 in principal amount of the Bonds (the "**Calculation Amount**"), and (ii) the amount of interest payable per Calculation Amount for any period shall be equal to the product of (A) the rate of interest specified above, (B) the Calculation Amount, and (C) the day-count fraction for the relevant period, being a 360-day year consisting of twelve months of 30 days each and, in the case of an incomplete month, the number of days elapsed, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 Conversion

(a) Conversion Right

(i) *Conversion Period:* Subject as hereinafter provided, the Bondholders have the right to convert their Bonds into Shares (as defined in Condition 6(a)(v) (*Meaning of "Shares"*)) at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the "**Conversion Right**".

Subject to and upon compliance with the provisions of this Condition 6 (*Conversion*), the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time (subject to any applicable fiscal or other laws or regulations and as hereinafter provided) on or after the 41st day after the Issue Date up to the close of business (at the place where the Certificate representing such Bond is deposited for conversion) on the 10th day prior to the Maturity Date (as defined in Condition 8(a) (*Maturity*)) (both days inclusive) (but, except as provided in Condition 6(a)(iv) (*Revival and/or survival after Default*) and Condition 10 (*Events of Default*), in no event thereafter) or, if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than 15 days (both days inclusive and in the place aforesaid) prior to the date fixed for redemption thereof or, if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(d) (*Redemption at the Option of the Bondholders*) or Condition 8(e) (*Redemption for the Relevant Event*), then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice (the "**Conversion Period**").

Notwithstanding the foregoing, if the Conversion Date in respect of a Bond would otherwise fall during a period in which the register of shareholders of the Issuer is closed generally or for the purpose of establishing entitlement to any distribution or other rights attaching to the Shares (a "**Book Closure Period**"), such Conversion Date shall be postponed to the first Stock Exchange Business Day (as defined in Condition 6(b)(i) (*Conversion Notice*)) following the expiry of such Book Closure Period.

If the Conversion Date in respect of the exercise of any Conversion Right is postponed as a result of the foregoing provision to a date that falls after the expiry of the Conversion Period, such Conversion Date shall be deemed to be the final day of such Conversion Period, as the case may be.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted (translated into Hong Kong dollars at the fixed exchange rate of HK$7.8398 = U.S.$1.00) by the Conversion Price in effect on the relevant Conversion Date (both as hereinafter defined). A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

(ii) *Fractions of Shares:* Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after 26 August 2026 which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash in U.S. dollars a sum equal to such portion of the principal amount of the Bond or Bonds represented by the Certificate deposited in connection with the exercise of Conversion Rights, aggregated as provided in Condition 6(a)(i) (*Conversion Period*), as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid if such sum exceeds U.S.$10 (which shall be determined by the Issuer using the Prevailing Rate on the Conversion Date). Any such sum shall be paid by means of a U.S. dollar cheque drawn on a bank that processes payments in U.S. dollars and mailed directly to the address of the Bondholder or by transfer to a U.S. dollar account maintained by the payee, in either case in accordance with instructions given by the relevant Bondholder in its Conversion Notice.

(iii) *Conversion Price:* The price at which Shares will be issued upon conversion (the "**Conversion Price**") will initially be HK$22.18 per Share, but will be subject to adjustment in the manner provided in Condition 6(c) (*Adjustments to Conversion Price*) and/or Condition 6(e) (*Adjustment upon Change of Control*).

(iv) *Revival and/or survival after Default:* Notwithstanding the provisions of Condition 6(a)(i) (*Conversion Period*), if (1) the Issuer shall default in making payment in full in respect of any Bond which shall have been called or put for redemption on the date fixed for redemption thereof, (2) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events under Condition 10 (*Events of Default*), or (3) any Bond is not redeemed on the Maturity Date in accordance with Condition 8(a) (*Maturity*) or the applicable date for redemption in accordance with Condition 8(d) (*Redemption at the Option of the Bondholders*) or Condition 8(e) (*Redemption for the Relevant Event*), the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate representing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Paying Agent or the Trustee and notice of such receipt has been duly given to the Bondholders and notwithstanding the provisions of Condition 6(a)(i) (*Conversion Period*), any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined below) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Paying Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

(v) *Meaning of "Shares":* As used in these Conditions, the expression "**Shares**" means ordinary shares of the Issuer or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer. For the purpose of Condition 6 only, (a) references to the "issue" of Shares or Shares being "issued" shall include the delivery or sale of Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries, and (b) Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of Condition 6(c)(4) (*Rights Issues of Shares or Options over Shares*) and 6(c)(5) (*Rights Issues of Other Securities*), do not rank for the relevant right or other entitlement) shall not be considered as or treated as "in issue" or "issued".

(b) Conversion Procedure

(i) *Conversion Notice:* To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense from 9:00 a.m. (Hong Kong time) to 3:00 p.m. (Hong Kong time) on any business day in the location of the specified office of any Conversion Agent a notice of conversion (a "**Conversion Notice**") in the form (for the time being current and being substantially in the form scheduled to the Agency Agreement) obtainable from the specified office of any Conversion Agent, together with the relevant Certificate and confirmation that any amounts required to be paid by the Bondholder under Condition 6(b)(ii) (*Stamp Duty etc.*) have been so paid. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Conversion Agent to whom the relevant Conversion Notice is delivered is located.

If such delivery is made after 3.00 p.m. (Hong Kong time) on any business day or on a day which is not a business day, in each case in the place of the specified office of the Conversion Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next business day following such day.

Any determination as to whether any Conversion Notice has been duly completed and properly delivered shall be made by the relevant Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Agents and the relevant Bondholder.

The conversion date in respect of a Bond (the "**Conversion Date**") must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6(a)(iv) (*Revival and/or survival after Default*) and Condition 10 (*Events of Default*)) and will be deemed to be the Stock Exchange Business Day immediately following the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right.

A Conversion Notice deposited outside the hours specified above or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent on the next business day following such day. Any Bondholder who deposits a Conversion Notice during a Book Closure Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of the Book Closure Period, which (if all other conditions to the exchange have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside the Conversion Period. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents in writing to such withdrawal. In these Conditions, "**Stock Exchange Business Day**" means any day (other than a Saturday or Sunday) on which The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") or the Alternative Stock Exchange (as defined in Condition 6(c) (*Adjustments to Conversion Price*) below), as the case may be, is open for securities dealing.

(ii) *Stamp Duty etc.:* A Bondholder exercising a Conversion Right and delivering the Certificate in respect of a Bond for conversion must pay directly to the relevant authorities any taxes and capital, stamp, issue, documentary, registration, transfer and/or other taxes and/or duties (the "**Duties**") arising on conversion (other than any Duties payable in Hong Kong and, if relevant, in the place of the Alternative Stock Exchange, by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Hong Kong Stock Exchange or the Alternative Stock Exchange (as the case may be) on conversion, such Duties being the "**Issuer Duties**") (such Duties and Issuer Duties are collectively known as "**Taxes**") and such Bondholder must pay all, if any, Taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of Bonds and all charges of the Agents and the share transfer agent for the Shares (together the "**Conversion Expenses**"). The Bondholder must declare in the relevant Conversion Notice that any Taxes payable to the relevant tax authorities (other than the Issuer Duties) pursuant to this Condition 6(b)(ii) (*Stamp Duty etc.*) have been paid. Neither the Trustee nor any Agent is under any obligation to determine whether a Bondholder is liable to pay or has paid any Taxes (including capital, stamp, issue, registration or similar taxes and duties), the Conversion Expenses or the amounts payable (if any) under or in connection with this Condition 6(b)(ii) (*Stamp Duty etc.*) or whether the Issuer is liable to pay or has paid any Taxes or other expenses payable by it under or in connection with this Condition 6(b)(ii) (*Stamp Duty etc.*), and none of the Trustee or the Agents shall be liable for any failure by the Issuer or any Bondholder to pay such amounts.

If the Issuer fails to pay any Issuer Duties or Conversion Expenses, the relevant holder shall be entitled to tender and pay the same and the Issuer, as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

Such Bondholder must also pay all, if any, Duties (other than Issuer Duties) imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Conversion Rights by it.

(iii) *Registration:* As soon as practicable, and in any event not later than seven Stock Exchange Business Days after the Conversion Date, the Issuer will, in the case of Bonds converted on exercise of the Conversion Right and in respect of which a duly completed Conversion Notice and the relevant Certificate have been delivered and amounts payable by the relevant Bondholder as required by Conditions 6(b)(i) (*Conversion Notice*) and 6(b)(ii) (*Stamp Duty etc.*) have been paid, register the person or persons designated for the purpose in the relevant Conversion Notice as holder(s) of the relevant number of Shares in the register of shareholders of the Issuer and will, if the relevant Bondholder has also requested in the relevant Conversion Notice and to the extent permitted under applicable law and the rules and procedures of the Central Clearing and Settlement System of Hong Kong (the "**CCASS**") and the Issuer's share registrar effective from time to time, make all reasonable endeavours to procure that Shares are delivered through the CCASS for so long as the Shares are listed on the Hong Kong Stock Exchange; or will make such certificate or certificates available for collection at the office of the Issuer's share registrar in Hong Kong (being, at the time of issue of the Bonds, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) and notified to Bondholders in accordance with Condition 16 (*Notices*) or, if so requested in the relevant Conversion Notice, will cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary mail, at the expense, of the person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the relevant Conversion Notice, together (in either case) with any other securities, property or cash required to be delivered upon conversion of the Bonds and such assignments and other documents (if any) as may be required by law to effect the transfer thereof, in which case a single share certificate will be issued in respect of all Shares issued on conversion of Bonds the subject of the same Conversion Notice and which are to be registered in the same name.

The delivery of the Shares to the converting Bondholder (or such person or persons designated in the relevant Conversion Notice) in the manner contemplated above in this Condition 6(b)(iii) (*Registration*) will be deemed to satisfy the Issuer's obligation to pay the principal and premium (if any) on such converted Bonds.

The person or persons specified for that purpose in the relevant Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date he/she is or they are registered as such in the register of shareholders of the Issuer (the "**Registration Date**"). The Shares issued upon conversion of the Bonds will be fully-paid and in all respects rank *pari passu* with the Shares in issue on the relevant Registration Date. Save as set out in these Conditions, a holder of Shares issued on conversion of the Bonds shall not be entitled to any rights the record date for which precedes the relevant Registration Date.

If (A) the Registration Date in relation to any Bond shall be on or after the record date for any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 6(c) (*Adjustments to Conversion Price*) and (B) the Conversion Date in relation to such exercise shall be before the date on which such adjustment to the Conversion Price becomes effective under the relevant Condition (any such adjustment, a "**Retroactive Adjustment**"),

upon the relevant adjustment to the Conversion Price becoming effective under the relevant Condition, the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the relevant Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares ("**Additional Shares**") as is, together with Shares to be issued on conversion of the Bonds, equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective on or immediately prior to the relevant Conversion Date and in such event and in respect of such Additional Shares references in this Condition 6(b)(iii) (*Registration*) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

(c) Adjustments to Conversion Price: Upon the occurrence of any of the following events described below, the Conversion Price will be adjusted as follows:

(1) *Consolidation, Subdivision, Redesignation or Reclassification:* If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation, subdivision, redesignation or reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the nominal amount of one Share immediately after such alteration; and

B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date such consolidation, subdivision, redesignation or reclassification takes effect.

(2) *Capitalisation of Profits or Reserves:*

(i) If and whenever the Issuer shall issue any Shares credited as fully paid to the holders of Shares (the "**Shareholders**") by way of capitalisation of profits or reserves (including any share premium account) including Shares paid up out of distributable profits or reserves and/or share premium account (except for any Scrip Dividend (as defined below)) and which would not have constituted a Capital Distribution (as defined below), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate nominal amount of the issued Shares immediately before such issue; and

B is the aggregate nominal amount of the issued Shares immediately after such issue.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

(ii) In the case of an issue of Shares by way of a Scrip Dividend where the aggregate value of such Shares issued by way of Scrip Dividend as determined by reference to the Current Market Price (as defined below) per Share on the date of announcement of the terms of such Scrip Dividend exceeds the amount of the Relevant Cash Dividend (as defined below) or the relevant part thereof and which would not have constituted a Capital Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate nominal amount of the issued Shares immediately before such issue;

B is the aggregate nominal amount of Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend for which Shareholders have elected to receive as Shares issued by way of Scrip Dividend and (ii) the denominator is the aggregate value of such Shares issued by way of Scrip Dividend as determined by reference to the Current Market Price per Share; and

C is the aggregate nominal amount of Shares issued by way of such Scrip Dividend.

Such adjustment shall become effective on the date of issue of such Shares issued by way of Scrip Dividend or if a record date is fixed therefor, immediately after such record date.

(3) *Capital Distributions:* If and whenever the Issuer shall pay or make any Capital Distribution to the Shareholders (except to the extent that the Conversion Price falls to be adjusted under Condition 6(c)(2) (*Capitalisation of Profits or Reserves*) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Capital Distribution by the following fraction:

$$\frac{A + B}{A}$$

where:

A is the Current Market Price per Share on the date on which the Capital Distribution is first publicly announced; and

B is the Fair Market Value (as defined below) of the portion of the Capital Distribution attributable to one Share.

Such adjustment shall become effective on the date that such Capital Distribution is actually made or paid or if a record date is fixed therefor, immediately after such record date. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "Fair Market Value") be determined as at the date on which the Capital Distribution is first publicly announced or, if later, the first date on which the Fair Market Value of the relevant Capital Distribution is capable of being determined as provided herein.

In making any calculation pursuant to this Condition 6(c)(3) (*Capital Distributions*), such adjustments (if any) shall be made as an Independent Financial Advisor may consider appropriate to reflect (a) any consolidation or subdivision of the Shares, (b) issues of Shares by way of capitalisation of profits or reserves, or any like or similar event, (c) the modification of any rights to dividends of Shares or (d) any change in the fiscal year of the Issuer.

(4) *Rights Issues of Shares or Options over Shares:* If and whenever the Issuer shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, in each case at less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such announcement;

B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and

C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

(5) *Rights Issues of Other Securities:* If and whenever the Issuer shall issue any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) to all or substantially all Shareholders as a class by way of rights or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price per Share on the date on which such issue or grant is publicly announced; and

B is the Fair Market Value per Share on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "**Fair Market Value**") be determined as at the date on which the terms of such issue or grant are publicly announced, or if later, the first date on which the Fair Market Value of the aggregate rights attributable to the Shares in relation to such issue or grant is capable of being determined as provided herein.

(6) *Issues at less than Current Market Price:* If and whenever the Issuer shall issue (otherwise than as mentioned in Condition 6(c)(4) (*Rights Issues of Shares or Options over Shares*) above) wholly for cash or for no consideration any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or shall issue or grant (otherwise than as mentioned in Condition 6(c)(4) (*Rights Issues of Shares or Options over Shares*) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares, in each case at a price per Share which is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

where:

A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares;

B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants or other rights would purchase at such Current Market Price per Share; and

C is the aggregate number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue by the Issuer of options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price (if applicable) on the date of issue of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue of such options, warrants or other rights.

(7) *Other Issues at less than Current Market Price:* If and whenever the Issuer or any of its Subsidiaries (otherwise than as mentioned in Conditions 6(c)(4) (*Rights Issues of Shares or Options over Shares*), 6(c)(5) (*Rights Issues of Other Securities*) or 6(c)(6) (*Issues at less than Current Market Price*)) or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity shall issue any securities (other than the Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Issuer upon conversion, exchange or subscription at a consideration per Share which is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of issue of such

securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such issue;

B is the number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities.

Such adjustment shall become effective on the date of issue of such securities.

(8) *Modification of Rights of Conversion etc.:* If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in Condition 6(c)(7) (*Other Issues at less than Current Market Price*) (other than in accordance with the terms of such securities) so that following such modification the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than 95 per cent. of the Current Market Price per Share on the date of announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate number of Shares in issue immediately before such modification;

B is the maximum number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an Independent Financial Advisor considers appropriate (if at all) for any previous adjustment under this Condition 6(c)(8) (*Modification of Rights of Conversion etc.*) or Condition 6(c)(7) (*Other Issues at less than Current Market Price*).

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

(9) *Other Offers to Shareholders:* If and whenever the Issuer or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under Conditions 6(c)(4) (Rights Issues of Shares or Options over Shares), 6(c)(5) (*Rights Issues of Other Securities*), 6(c)(6) (*Issues at less than Current Market Price*) or 6(c)(7) (*Other Issues at less than Current Market Price*)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A - B}{A}$$

where:

A is the Current Market Price per Share on the date on which such issue, sale or distribution is publicly announced; and

B is the Fair Market Value of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue, sale or distribution of the securities. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "Fair Market Value") be determined as at the date on which the terms of such issue, sale or distribution of securities are first publicly announced or, if later, the first date on which the Fair Market Value of the portion of the aggregate rights attributable to the Shares is capable of being determined as provided herein.

(10) *Other Events:* If the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 6(c) (*Adjustments to Conversion Price*), the Issuer shall at its own expense consult an Independent Financial Advisor to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination by the Independent Financial Advisor such adjustment (if any) shall be

made and shall take effect in accordance with such determination. Notwithstanding the foregoing, the per Share value of any such modification shall not exceed the per Share value of the dilution in the Shareholders' interest in the Issuer's equity caused by such events or circumstances.

In this Condition 6(c) (*Adjustments to Conversion Price*), where the events or circumstances giving rise to any adjustment pursuant to any of the above adjustments under this Condition 6(c) (*Adjustments to Conversion Price*) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 6 (*Conversion*) as may be advised by the Independent Financial Advisor to be in its opinion appropriate to give the intended result.

For the purposes of these Conditions:

"**Alternative Stock Exchange**" means at any time, in the case of the Shares, if they are not at that time listed and traded on the Hong Kong Stock Exchange, such other nationally or internationally recognised stock exchange which is the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in.

"**Capital Distribution**" means (i) the aggregate distribution of assets in specie by the Issuer for any financial period whenever paid or made and however described (and for these purposes a distribution of assets in specie includes, without limitation, an issue of Shares or other securities credited as fully or partly paid by way of capitalisation of reserves, but excludes any Shares credited as fully paid to the extent an adjustment to the Conversion Price is made in respect thereof under Condition 6(c)(2)(i) (*Capitalisation of Profits or Reserves*) and a Scrip Dividend adjusted for under Condition 6(c)(2)(ii) (*Capitalisation of Profits or Reserves*)); and (ii) the aggregate cash dividend or distribution on a gross basis (including, without limitation, the relevant cash amount of a Scrip Dividend) of any kind by the Issuer for any financial period (whenever paid and however described) unless it comprises a purchase or redemption of Shares by or on behalf of the Issuer (or a purchase of Shares by or on behalf of a Subsidiary of the Issuer), where the weighted average price or consideration (before expenses) on any one day in respect of such purchases does not exceed 105 per cent. of the Current Market Price of the Shares either (1) on that date or (2) where an announcement has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement and, if in the case of either (1) or (2), the relevant day is not a Trading Day, the immediately preceding Trading Day, in which case such purchase or redemption shall be deemed to constitute a Capital Distribution in an amount equal to the amount by which the aggregate consideration paid (before expenses) in respect of such Shares purchased or redeemed exceeds the product of (i) 105 per cent. of such Current Market Price and (ii) the number of Shares so purchased or redeemed.

"**Closing Price**" of the Shares for any Trading Day shall be the price published in the Daily Quotation Sheet published by the Hong Kong Stock Exchange or, as the case may be, the equivalent quotation sheet of an Alternative Stock Exchange for such day.

"**Current Market Price**" means, in respect of a Share on a particular date, the average of the daily Closing Prices for one Share (being a Share carrying full entitlement to dividend) over the 20 consecutive Trading Days ending on and including the Trading Day immediately preceding such date; provided that:

(i) for the purposes of determining the Current Market Price pursuant to Conditions 6(c)(4) (*Rights Issues of Shares or Options over Shares*) or 6(c)(6) (*Issues at Less than Current Market Price*) in circumstances where the relevant event relates to an issue of Shares, if at any time during the said 20 Trading Day-period (which may be on each of such 20 Trading Days) the Shares of such class shall have been quoted ex-dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such 20 Trading Days) the Shares of such class shall have been quoted cum-dividend (or cum- any other entitlement) then:

(a) if the Shares of such class to be issued or transferred and delivered do not rank for the dividend (or entitlement) in question, the Closing Price on the dates on which the Shares of such class shall have been based on a price cum-dividend (or cum-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or entitlement per Share of such class; or

(b) if the Shares of such class to be issued or transferred and delivered rank for the dividend or entitlement in question, the Closing Price on the dates on which the Shares of such class shall have been based on a price ex-dividend (or ex-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by the Fair Market Value of any such dividend or entitlement per Share of such class;

(ii) for the purpose of determining the Current Market Price of any Shares of any class which are to be issued or may be issued pursuant to a Scrip Dividend pursuant to Condition 6(c)(2)(ii) (*Capitalisation of Profits or Reserves*), if on any day during the said 20 Trading Day-period the Closing Price of the Shares of such class shall have been based (A) on a price cum the Relevant Cash Dividend (and/or any other dividend or other entitlement which the Shares of such class that may be issued pursuant to terms of such Scrip Dividend do not rank for), the Closing Price of a Share of such class on any such day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the Relevant Cash Dividend (and/or such other dividend or other entitlement) (as at the date of first public announcement of the terms of such Relevant Cash Dividend) per Share of such class entitled to the Relevant Cash Dividend (and/or such other dividend or other entitlement) or (B) on a price ex- the Relevant Cash Dividend, the Closing Price of a Share of such class on any such day shall for the purposes of this definition be deemed to be the amount thereof (x) multiplied by the sum of one and the number of Shares of such class which are to be issued or may be issued pursuant to such Scrip Dividend per Share of such class entitled to the Relevant Cash Dividend and (y) reduced by the Fair Market Value of the Relevant Cash Dividend (as at the date of first public announcement of the terms of such Relevant Cash Dividend) per Share of such class entitled to the Relevant Cash Dividend; and

(iii) for any other purpose, if any day during the said 20 Trading Day-period was the ex-date in relation to any dividend (or any other entitlement) the Closing Prices that shall have been based on a price cum- such dividend (or cum-such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend (or other entitlement) per Share of such class as at the date of first public announcement of the terms of such dividend (or other entitlement);

"**Fair Market Value**" means, with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Independent Financial Advisor on the basis of commonly accepted market valuation method and taking into account such factors as it considers appropriate, *provided that* an Independent Financial Advisor will not be required to determine the fair market value where (i) the Capital Distribution is paid in cash, in which case the fair market value of such cash Capital Distribution per Share shall be the amount of such cash Capital Distribution per Share, (ii) any other amounts are paid in cash, in which case the fair market value of such cash amount shall be the amount of cash, and (iii) options, warrants or other rights or securities are or will upon issuance be publicly traded in a market of adequate liquidity (as determined by such Independent Financial Advisor), the fair market value of such options, warrants or other rights or securities shall equal the arithmetic mean of the daily closing price of such options, warrants or other rights or securities during the period of five trading days on the relevant market commencing on the first such trading day such options, warrants or other rights or securities are publicly traded. Such amounts, if expressed in a currency other than Hong Kong dollars shall be translated into Hong Kong dollars at the Prevailing Rate on such date. In addition, in the case of proviso (i) and (ii) above of this definition, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax and disregarding any associated tax credit.

"**Independent Financial Advisor**" means a reputable independent financial advisor or financial institution with appropriate expertise selected and appointed at its own cost by the Issuer and notified in writing to the Trustee. The Trustee shall not be responsible for or under any obligation to appoint an Independent Financial Advisor and neither the Trustee nor any Agent shall have any responsibility or liability for verifying any calculation, determination, certification, advice or opinion made, given or reached by any Independent Financial Advisor.

"**Prevailing Rate**" means, in respect of any currency on any day, the bid exchange rate between the relevant currencies prevailing as at or about 12:00 noon (Hong Kong time) on that date as appearing on or derived from the relevant page on Bloomberg or, if there is no such page, on Reuters or such other information service provider that displays the relevant information or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12:00 noon (Hong Kong time) on the immediately preceding day on which such rate can be so determined.

"**Relevant Cash Dividend**" means any cash dividend specifically declared by the Issuer.

"**Scrip Dividend**" means any Shares issued in lieu of the whole or any part of any Relevant Cash Dividend, being a dividend which the Shareholders concerned would or could otherwise have received and which would not have constituted a Capital Distribution (and for the avoidance of doubt, no adjustment is to be made under Condition 6(c)(3) (*Capital Distributions*) in respect of the amount by which the Current Market Price of the Shares exceeds the Relevant Cash Dividend or the relevant part thereof but without prejudice to any adjustment required in such circumstances to be made under Condition 6(c)(2) (*Capitalisation of Profits or Reserves*)).

"**Trading Day**" means a day when the Hong Kong Stock Exchange or, as the case may be, an Alternative Stock Exchange is open for the business of dealing in securities, *provided that* for the purposes of any calculation where a Closing Price is required, if no Closing Price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have existed when ascertaining any period of dealing days.

(d) Provisions relating to Changes in Conversion Price

(1) On any adjustment, the relevant Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustment shall be given by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*) and in writing to the Trustee and the Principal Agent as soon as practicable after the determination thereof.

Notwithstanding anything to the contrary in these Conditions, the Conversion Price may not be reduced so that, on conversion of Bonds, Shares would be required to be issued in any circumstances not permitted by applicable laws then in force in Hong Kong.

(2) If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to how an adjustment to the Conversion Price under Condition 6(c) (*Adjustments to Conversion Price*) or Condition 6(e) (*Adjustment upon Change of Control*) should be made, and following consultation between the Issuer and an Independent Financial Advisor, a written opinion of such Independent Financial Advisor in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error. Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of an Independent Financial Advisor, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Financial Advisor to be in its opinion appropriate in order to give such intended result.

(3) No adjustment will be made to the Conversion Price when Shares or any rights or options on other securities are issued, offered, appropriated or granted pursuant to any share option, share award, restricted share or employee incentive scheme or plan (and which such scheme or plan is in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") or, if applicable, the listing rules of an Alternative Stock Exchange) ("**Share Scheme Shares/Options**"), unless any grant or issue of Share Scheme Shares/Options (which, but for this provision, would have required adjustment pursuant to this Condition 6 (*Conversion*)) would result in the total number of Shares which may be issued upon exercise of such Share Scheme Shares/Options granted during any 12-month period up to and including the date of such grant representing, in aggregate, over 1.00 per cent. of the average number of issued and outstanding Shares during such 12-month period, in which case only such portion of the grant or issue of Share Scheme Shares/Options that exceeds 1.00 per cent. of the average number of issued and outstanding Shares during the relevant 12-month period shall be taken into account in determining adjustment of the Conversion Price pursuant to this Condition 6 (*Conversion*).

(4) No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares as referred to in Condition 6(c)(1) (*Consolidation, Subdivision, Redesignation or Reclassification*). The Issuer may at any time and for a specified period of time only, following notice being given to the Trustee and the Principal Agent and to the Bondholders in accordance with Condition 16 (*Notices*), reduce the Conversion Price, subject to the other provisions of this Condition 6(c) (*Adjustments to Conversion Price*).

(5) Neither the Trustee nor the Agents shall be under any duty to monitor whether any event or circumstance has happened or exists which may require or lead to an adjustment to be made to the Conversion Price and/or any adjustments to it or to make any calculation (or verification thereof) in connection with the Conversion Price or any adjustments to it and none of them will be liable or responsible to the Issuer, any Bondholder or any other person for any loss or liability arising from any failure by them to do so. All adjustments to the Conversion Price or generally as contemplated under Condition 6 (Conversion) shall be determined by the Issuer and, if applicable, the Independent Financial Advisor, and neither the Trustee nor the Agents shall be responsible for verifying, or otherwise liable for, such calculations or determinations or for verifying any calculation, determination, certification, advice or opinion in connection with such determinations or liable for any delay by the Issuer or any Independent Financial Advisor in making a calculation or determination or any erroneous determination in connection with the Conversion Price. Neither the Trustee nor the Agents shall be under any duty to determine, calculate or verify any entitlement of any Bondholder to any amount payable upon or following the exercise of any Conversion Right and none of them will be responsible or liable to the Issuer, any Bondholder or any other person for any loss arising from any failure to do so.

(e) ***Adjustment upon Change of Control:*** If a Change of Control (as defined in Condition 8(e) (*Redemption for the Relevant Event*)) shall occur, the Issuer shall give notice (the "**Change of Control Notice**") of that fact to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 16 (*Notices*) within 14 days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon

any exercise of Conversion Rights such that the relevant Conversion Date falls within the period of 30 days following the later of (i) the relevant Change of Control and (ii) the date on which the Change of Control Notice is given to Bondholders (such period, the "**Change of Control Conversion Period**"), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

where:

"**c**" means the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date.

"**CP**" means 29.00 per cent. expressed as a fraction. "NCP" means the new Conversion Price.

"**OCP**" means the Conversion Price in effect on the relevant Conversion Date.

"**t**" means the number of days from and including the Issue Date to but excluding the Maturity Date,

provided that the Conversion *Price shall not be reduced pursuant to this Condition 6(e) (Adjustment* upon Change of Control) below the level permitted by applicable laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Book Closure Period, the Change of Control Conversion Period shall be extended such that its last day will be the 15th day following the last day of the Book Closure Period.

(f) Undertakings

The Issuer has undertaken in the Trust Deed, *inter alia*, that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders:

(i) it will use its commercially reasonable endeavours (a) to maintain a listing for all the issued Shares on the Hong Kong Stock Exchange, and (b) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights attaching to the Bonds on the Hong Kong Stock Exchange, and (c) if the Issuer is unable to obtain or maintain such listing, to use its commercially reasonable endeavours to obtain and maintain a listing for all the issued Shares on an Alternative Stock Exchange as the Issuer may from time to time select and notify to the Trustee and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) of the listing or delisting of the Shares (as a class) by any of such stock exchanges;

(ii) it will pay the expenses of the issue of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds (save for any Taxes specified in Condition 6(b)(ii) (*Stamp Duty etc.*) as being payable by any converting Bondholder);

(iii) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund except, in each case, where the reduction is permitted by applicable law and provided that all or any part of the corporate action(s) comprising the reduction results (or would but for the application of any provisos, carve-outs or conditions set forth or imposed in Condition 6 result) in an adjustment to the Conversion Price then in effect or would otherwise be taken into account for the purposes of determining whether such an adjustment should be made (and for the avoidance of doubt, shall not restrict the Issuer from repurchasing any Shares on the Hong Kong Stock Exchange in accordance with the Listing Rules and applicable law); and

(iv) it will use its commercially reasonable endeavours to list and thereafter maintain the listing of the Bonds on the Hong Kong Stock Exchange and if the Issuer is unable to maintain such listing, to use its commercially reasonable endeavours to obtain and maintain a listing on another internationally recognised stock exchange and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) and in writing to the Trustee and the Principal Agent of the listing or delisting of the Bonds by any such stock exchange.

In the Trust Deed, the Issuer has also undertaken with the Trustee that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution of the Bondholders, it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds from time to time remaining outstanding and shall ensure that all Shares delivered on conversion of the Bonds will be duly and validly issued as fully-paid, *provided* always that the Issuer shall not be prohibited from purchasing its Shares to the full extent permitted by law.

The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

(g) Notice of Change in Conversion Price

The Issuer shall give notice to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 16 (*Notices*) of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

7 Payments

(a) *Payments:* Payment of principal, premium (if any) and any other amounts due (other than any amounts payable consequent upon exercise of any Conversion Right) will be made by transfer to the registered account of the Bondholder. Payment of principal and premium (if any) will only be made after surrender of the relevant Certificate at the specified office of any of the Paying Agents.

So long as the Bonds are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, payments of principal, premium (if any) and any other amounts due in respect of the Bonds (other than any amounts payable consequent upon exercise of any Conversion Right) will be made to the holder appearing in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment, where "Clearing System Business Day" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

(b) *Registered Accounts:* For the purposes of this Condition 7, a Bondholder's registered account means the U.S. dollar account maintained by or on behalf of it, details of which appear on the Register at the close of business on the second Payment Business Day before the due date for payment, and a Bondholder's registered address means its address appearing on the Register at that time.

(c) *Fiscal Laws:* All payments under the Bonds are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) if applicable, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 (*Taxation*)) any law implementing an intergovernmental approach thereto (any such withholding or deduction, a "**FATCA Withholding**"). For the avoidance of doubt, neither the Trustee and the Agents nor any other person will be required to pay any additional amounts in respect of FATCA Withholding. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(d) *Payment Initiation:* Payment instructions (for value on the due date or, if that is not a Payment Business Day (as defined below), for value on the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if that date is not a Payment Business Day, on the first following day which is a Payment Business Day), or, in the case of a payment of principal, if later, on the Payment Business Day on which the relevant Certificate is surrendered at the specified office of an Agent.

(e) *Delay in Payment:* Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day or if the Bondholder is late in surrendering its Certificate (if required to do so).

(f) *Business Day:* In this Condition 7 (*Payments*), "**Payment Business Day**" means a day other than a Saturday, Sunday or public holiday on which commercial banks are generally open for business in Hong Kong, New York City, in the city in which the specified office of the Principal Agent is located and, in the case of the surrender of a Certificate, in the city in which the specified office of the relevant Paying Agent to whom a Certificate is surrendered for payment is located.

(g) *Rounding:* When making payments to Bondholders, fractions of one cent will be rounded to the nearest cent (half a cent being rounded upwards).

(h) *Appointment of Agents:* The initial Agents and their initial specified offices are listed below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and appoint additional or replacement Agents provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) a Conversion Agent and (v) such other agents as may be required by the stock exchange on which the Bonds may be listed, in each case, as approved in writing by the Trustee.

Notice of any change in any Agent or its specified office will promptly be given by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*).

8 Redemption, Purchase and Cancellation

(a) *Maturity:* Unless previously redeemed, purchased and cancelled or unless the Conversion Right in respect of such Bond has been exercised as provided herein, the Issuer will redeem each Bond at its principal amount on 2 September 2031 (the "**Maturity Date**"). The Issuer may not redeem the Bonds at its option prior to that date except as provided in Condition 8(b) (*Redemption for Taxation Reasons*) or 8(c) (*Redemption at the Option of the Issuer*) below (but without prejudice to Condition 10 (*Events of Default*)).

(b) *Redemption for Taxation Reasons*

(i) The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with Condition 16 (*Notices*) (which notice shall be irrevocable) and in writing to the Trustee and the Principal Agent, on the date specified in the Tax Redemption Notice for redemption (the "**Tax Redemption Date**") at their principal amount, if the Issuer satisfies the Trustee immediately prior to the giving of the Tax Redemption Notice that (A) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 9 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of Hong Kong, the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 26 August 2026, and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. Prior to the publication of any Tax Redemption Notice pursuant to this Condition 8(b) (*Redemption for Taxation Reasons*), the Issuer shall deliver to the Trustee (x) a certificate in English signed by an Authorised Signatory of the Issuer stating that the obligation referred to in (A) above cannot be avoided by the Issuer taking reasonable measures available to it and (y) an opinion of independent legal or tax advisors of recognised standing to the effect that the Issuer has or would become obligated to pay such Additional Tax Amounts as a result of such change or amendment referred to above in this Condition 8(b)(i) (*Redemption for Taxation Reasons*). The Trustee shall be entitled to conclusively rely upon and accept, without any liability for so doing to any person, such certificate and opinion (without further investigation or enquiry) as sufficient evidence thereof, in which event it shall be conclusive and binding on the Bondholders.

On the Tax Redemption Date, the Issuer will be bound to redeem the Bonds at their principal amount, provided that redemption under this Condition 8(b)(i) (*Redemption for Taxation Reasons*) may not occur within seven days of the end of a Closed Period, but otherwise may occur when the Conversion Right is expressed in these Conditions to be exercisable.

(ii) If the Issuer gives a Tax Redemption Notice pursuant to Condition 8(b)(i) (*Redemption for Taxation Reasons*), each Bondholder will have the right to elect that its Bond(s) shall not be redeemed and that the provisions of Condition 9 (*Taxation*) shall not apply in respect of any payment of principal, premium (if any) or any other amounts to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date, whereupon no additional amounts shall be payable by the Issuer in respect thereof pursuant to Condition 9 (*Taxation*) and payment of all amounts by the Issuer to such Bondholder in respect of such Bond shall be made subject to the deduction or withholding of any tax required to be deducted or withheld. To exercise a right pursuant to this Condition 8(b)(ii) (*Redemption for Taxation Reasons*), the holder of the relevant Bond must complete, sign and deposit during normal business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays) (in the location of the specified office of the relevant Paying Agent)) at the specified office of any Paying Agent a duly completed and signed notice of exercise substantially in the form scheduled to the Agency Agreement (the "**Tax Option Exercise Notice**") together with the Certificate representing the Bonds on or before the day falling 10 days prior to the Tax Redemption Date. A Tax Option Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent.

(c) *Redemption at the Option of the Issuer:* On giving not less than 30 nor more than 60 days' notice to the Principal Agent and the Trustee in writing and to the Bondholders in accordance with Condition 16 (*Notices*) (which notice will be irrevocable), the Issuer may at any time prior to the Maturity Date redeem in whole but not in part, the Bonds for the time being outstanding at their principal amount, provided that prior to the date of such notice at least 90 per cent. in principal amount of the Bonds issued (which shall for this purpose include any further Bonds issued pursuant to Condition 15 (*Further Issues*)) has already been redeemed, purchased and cancelled or in respect of which Conversion Rights have been exercised.

(d) *Redemption at the Option of the Bondholders:* The Issuer will, at the option of the holder of any Bond, redeem in whole or in part only of such holder's Bonds on 2 September 2029 (the "**Put Option Date**") at their principal amount. To exercise such option, the holder must deposit at the specified office of any Paying Agent a duly completed and signed put notice substantially in the form scheduled to the Agency Agreement, together with the Certificate representing the Bonds to be redeemed not more than 60 days and not less than 30 days prior to the Put Option Date.

A put notice, once delivered, shall be irrevocable (and may not be withdrawn unless the Issuer consents to such withdrawal) and the Issuer shall redeem the Bonds the subject of the put notices delivered as aforesaid on the Put Option Date.

(e) *Redemption for the Relevant Event:* Following the occurrence of a Relevant Event (as defined below), the holder of each Bond will have the right, at such holder's option, to require the Issuer to redeem in whole or in part only of such holder's Bonds on the Relevant Event Redemption Date (as defined below) at their principal amount. To exercise such right, the holder of the relevant Bond must deposit at the specified office of any Paying Agent a duly completed and signed notice of redemption, substantially in the form scheduled to the Agency Agreement, specifying the number of Bonds to be redeemed and the Relevant Event that has occurred ("**Relevant Event Redemption Notice**"), together with the Certificate representing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16 (*Notices*). The "**Relevant Event Redemption Date**" shall be the 14th day after the expiry of such period of 30 days as referred to above.

A Relevant Event Redemption Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent and the Issuer shall redeem the Bonds the subject of the Relevant Event Redemption Notice as aforesaid on the Relevant Event Redemption Date. The Issuer shall give notice to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 16 (*Notices*) by not later than 14 days following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify the procedure for exercise by the Bondholders of their Conversion Rights as provided in these Conditions and their rights to require redemption of their Bonds pursuant to this Condition 8(e) (*Redemption for the Relevant Event*) and shall give brief details of the Relevant Event.

Neither the Trustee nor the Agents shall be required to monitor or take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and none of them shall be liable to Bondholders or any other person for not doing so, and the Trustee and the Agents shall be entitled to assume that no such event has occurred until they have received written notice to the contrary from the Issuer. The Trustee and the Agents shall not be required to take any steps to ascertain whether the condition for the exercise of the rights in accordance with this Condition 8(e) (*Redemption for the Relevant Event*) has occurred.

For the purposes of this Condition 8(e) (*Redemption for the Relevant Event*):

a "**Change of Control**" occurs (a) when SASAC, the central government of the PRC or any department, ministry or body of the central government of the PRC together cease to, directly or indirectly, individually or in combination, own at least 51 per cent. of the voting rights of the issued share capital of the Issuer; or (b) when the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other Person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Issuer or the successor entity;

"**Control**" means (i) the right to appoint and/or remove all or the majority of the members of the Issuer's Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise; or (ii) the acquisition or control of more than 51 per cent. of the voting rights of the issued share capital of the Issuer;

a "**Person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Issuer's Board of Directors or any other governing board and does not include the Issuer's wholly-owned direct or indirect subsidiaries;

a "**Public Float Event**" occurs on the first date on which less than 25 per cent. of the Issuer's total number of issued shares are held by the public for at least 20 consecutive Trading Days, provided that if following the occurrence of any Public Float Event, at least 25 per cent. of the Issuer's total number of issued shares are held by the public on any day following the date of occurrence of such Public Float Event (the "**Reference Date**" in respect of such Public Float Event), a further Public Float Event may subsequently occur on the first date (falling after the Reference Date in respect of such Public Float Event) on which less than 25 per cent. of the Issuer's total number of issued shares are held by the public for at least 20 consecutive Trading Days;

a "**Relevant Event**" occurs:

(i) when the Shares cease to be listed or admitted to trading or are suspended for trading for a period equal to or exceeding 30 consecutive Trading Days on the Hong Kong Stock Exchange or, if applicable, the Alternative Stock Exchange;

(ii) when a Public Float Event occurs; or

(iii) when there is a Change of Control; and

"**SASAC**" means the State-owned Assets Supervision and Administration Commission of the State Council of the PRC or its successor.

(f) *Purchase:* Each of the Issuer and any of its Subsidiaries may at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Bonds so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the holders of the Bonds and shall be deemed not to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the holders or for the purposes of Condition 10 (*Events of Default*), Condition 12 (*Enforcement*) and Condition 13(a) (*Meetings*).

(g) *Cancellation:* All Bonds which are redeemed, or purchased by the Issuer or any of its Subsidiaries or in respect of which Conversion Rights have been exercised, will be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

(h) *Redemption Notices:* All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition 8 (*Redemption, Purchase and Cancellation*) will be irrevocable and will be given in accordance with Condition 16 (*Notices*) specifying: (i) the Conversion Price as at the date of the relevant notice, (ii) the last day on which the Conversion Rights may be exercised, (iii) the Closing Price of the Shares as at the latest practicable date prior to the publication of the notice, (iv) the principal amount and/or premium amount (if any) payable, (v) the date for redemption, (vi) the manner in which redemption will be effected and (vii) the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

If more than one notice of redemption is given (being a notice given by either the Issuer or a Bondholder pursuant to this Condition 8 (*Redemption, Purchase and Cancellation*)), the first in time shall prevail. Neither the Trustee nor the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under these Conditions.

Neither the Trustee nor the Agents shall be responsible for determining or verifying whether a Bond is to be accepted for redemption under this Condition 8 (*Redemption, Purchase and Cancellation*) or have any duty to verify the accuracy, content, completeness, validity and/or genuineness of any certificates, confirmations or documents in relation to or in connection with any redemption or the exercise of any right of redemption and will not be responsible or liable to Bondholders or any other person for any loss or liability arising from any failure by them to do so. Neither the Trustee nor the Agents shall be under any duty to determine, calculate or verify the redemption amount payable under these Conditions, and none of them will be responsible or liable to any Bondholder or any other person for any loss or liability arising from any failure by them to do so.

9 Taxation

All payments made by the Issuer under or in respect of the Bonds, the Trust Deed or the Agency Agreement will be made free and clear of any set-off, counterclaim and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Hong Kong, the PRC or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law.

Where such withholding or deduction is made by the Issuer by or within the PRC at a rate up to and including the rate applicable on 26 August 2026 (the "**Applicable Rate**"), the Issuer will pay such additional amounts as will result in receipt by the Bondholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required.

If the Issuer is required to make a deduction or withholding by or within Hong Kong or by or within the PRC in excess of the Applicable Rate, the Issuer will pay such additional amounts (the "**Additional Tax Amounts**") as will result in the receipt by the Bondholders of the net amounts after such deduction or withholding equal to the amounts which would otherwise have been receivable by them had no such deduction or withholding been required except that no Additional Tax Amounts shall be payable in respect of any Bond:

(a) *Other connection:* to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with Hong Kong or the PRC otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or

(b) *Presentation more than 30 days after the relevant date:* (in the case of a payment of principal) if the Certificate in respect of such Bond is surrendered more than 30 days after the relevant date except to the extent that the holder would have been entitled to such Additional Tax Amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days.

For the purposes hereof, "**relevant date**" means whichever is the later of (1) the date on which such payment first becomes due and (2) if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and payment made.

References in these Conditions to principal, premium (if any), interest (if any) and any other amount payable in respect of the Bonds shall be deemed also to include any additional amounts which may be payable under this Condition 9 (*Taxation*) or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

Neither the Trustee nor any Agent shall be responsible for paying any taxes, duties, assessments, governmental charges, withholding or other payment referred to in this Condition 9 (*Taxation*) or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Bondholder or any other person to pay such taxes, duties, assessments, governmental charges, withholding or other payment in any jurisdiction or to provide any notice or information that would permit, enable or facilitate the payment of any principal, premium (if any), interest (if any) or other amount under or in respect of the Bonds without deduction or withholding for or on account of any taxes, duties, assessments, governmental charges, withholding or other payment imposed by or in any jurisdiction.

10 Events of Default

If any of the following events (each an "**Event of Default**") occurs, the Trustee at its sole discretion may, and if so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution, shall, (subject in either case to being indemnified and/or secured and/or pre-funded by the holders to its satisfaction) give notice to the Issuer that the Bonds are, and they shall immediately become, due and repayable at their principal amount (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6 (*Conversion*)):

(a) *Non-Payment:* there is a failure to pay any amount of principal in respect of the Bonds on the due date for payment thereof; or

(b) *Breach of Other Obligations:* the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Bonds, the Agency Agreement or the Trust Deed and such default (i) is incapable of remedy; or (ii) being a default which is in the opinion of the Trustee capable of remedy, remains in the opinion of the Trustee unremedied for 45 days (or such longer period as the Trustee may permit) after the Trustee has given written notice thereof to the Issuer; or

(c) *Cross-Default of Issuer or Subsidiary:*

(i) any indebtedness in respect of money borrowed of the Issuer or any of the Issuer's Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any such indebtedness in respect of money borrowed becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer or (as the case may be) the relevant Subsidiary or (provided that no event of default, howsoever described, has occurred) any person entitled to such indebtedness; or

(iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee of any indebtedness,

provided that the amount of indebtedness referred to in sub-paragraph (i) and/or (ii) above and/or the amount payable under any guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds US$20.0 million (or its equivalent in any other currency or currencies); or

(d) *Failure to deliver Shares:* any failure by the Issuer to deliver any Shares as and when the Shares are required to be delivered following exercise of Conversion Rights in respect of Bonds, unless such failure is due to a technical or administrative error and is remedied by the Issuer within five Stock Exchange Business Days following conversion of a Bond; or

(e) *Insolvency, etc.:* (i) the Issuer or any of the Principal Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer or any of the Principal Subsidiaries or the whole or any material part of the undertaking, assets and revenues of the Issuer or any of the Principal Subsidiaries, (iii) the Issuer or any of the Principal Subsidiaries takes any action for a readjustment or deferment of all or any substantial part of its indebtedness or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of all or any substantial part of its indebtedness or all or any substantial part of guarantee of indebtedness given by it or (iv) the Issuer or any of the Principal Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (other than, in the case of a Principal Subsidiary, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or

(f) *Winding-up, etc.:* an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of the Principal Subsidiaries except for (i) the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of the Bondholders, (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Issuer or any of the other Principal Subsidiaries, (iii) a solvent winding up of any Principal Subsidiary or (iv) a disposal on an arm's length basis where the assets resulting from such disposal are vested in the Issuer or any of the other Principal Subsidiaries; or

(g) *Security Enforced:* a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a material part of the undertaking, assets and revenues of the Issuer or any of the Principal Subsidiaries, and such action is not withdrawn or discharged within 30 days; or

(h) *Analogous Events:* any event occurs which under applicable laws has an analogous effect to any of the events referred to in Condition 10(e) (*Insolvency, etc*) to 10(g) (*Security Enforced*) above; or

(i) *Failure to take action, etc.:* any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Bonds, the Agency Agreement or the Trust Deed, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Bonds, the Agency Agreement and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or

(j) *Unlawfulness:* it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds, the Agency Agreement or the Trust Deed; or

(k) *Government intervention:* all or any substantial part of the undertaking, assets and revenues of the Issuer or any of the Principal Subsidiaries is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government.

In these Conditions:

"**Principal Subsidiary**" means any Subsidiary of the Issuer:

(a) whose gross assets (consolidated in the case of a Subsidiary which itself has Subsidiaries), as shown by its latest audited balance sheet, is at least five per cent. of the consolidated gross assets as shown by the latest published audited consolidated balance sheet of the Issuer and its consolidated Subsidiaries, including the investment of the Issuer and its consolidated Subsidiaries in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and of such associated companies and after adjustment for minority interests; or

(b) whose total revenue (consolidated in the case of a Subsidiary which itself has Subsidiaries), as shown by its latest audited income statement, is at least five per cent. of the consolidated total revenue as shown by the latest published audited consolidated income statement of the Issuer and its consolidated Subsidiaries;

(c) whose gross profit (consolidated in the case of a Subsidiary which itself has Subsidiaries), as shown by its latest audited income statement, is at least five per cent. of the consolidated gross profit as shown by the latest published audited consolidated income statement of the Issuer and its Subsidiaries;

(d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall become a Principal Subsidiary at the date on which the first published audited accounts (consolidated, if appropriate), of the Issuer prepared as of a date later than such transfer are issued unless such Subsidiary would continue to be a Principal Subsidiary on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) and (c) above;

provided that, in relation to paragraphs (a), (b) and (c) above of this definition:

(I) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer and its Subsidiaries for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated audited accounts of the Issuer and its Subsidiaries adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

(II) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries, no consolidated accounts are prepared and audited, total revenue, gross profit or gross assets of the Issuer and/or any such Subsidiary shall be determined on the basis of *pro forma* consolidated accounts prepared for this purpose by or on behalf of the Issuer;

(III) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total revenue, gross profit or gross assets (consolidated, if appropriate) shall be determined on the basis of *pro forma* accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by or on behalf of the Issuer; and

(IV) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such Subsidiary is a Principal Subsidiary shall be based on a *pro forma* consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer.

A certificate in English in substantially the form scheduled to the Trust Deed signed by an Authorised Signatory of the Issuer, listing those entities which as at the last day of the most recent financial year of the Issuer, or as at the date specified in such request, were, in the opinion of the Issuer, Principal Subsidiaries shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Trustee and the Bondholders;

Neither the Trustee nor any of the Agents shall be responsible or liable for the performance by the Issuer and any other person appointed by the Issuer in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and the Trustee and the Agents need not do anything to ascertain or monitor whether a Potential Event of Default or Event of Default has

occurred or is continuing and will not be responsible or liable to the Issuer, any Bondholder or any other person for any loss or liability arising from any failure by them to do so, and unless the Trustee or such an Agent (as the case may be) has received written notice from the Issuer to the contrary, the Trustee and each Agent shall assume that the same are being duly performed.

11 Prescription

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within 10 years (in the case of principal or other sums payable hereunder) from the relevant date (as defined in Condition 9 (*Taxation*)) in respect thereof.

12 Enforcement

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such actions and/or steps and/or institute such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed and the Bonds, but it will not be bound to take any such actions and/or steps and/or institute any such proceedings or any other action in relation to the Trust Deed or the Bonds unless (a) it shall have been so requested in writing by the holders of not less than 25 per cent. in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

13 Meetings of Bondholders, Modification and Waiver

(a) *Meetings:* The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed and/or the Agency Agreement. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if it receives a written request from Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and if it is indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the aggregate principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds, (ii) to reduce or cancel the amount of principal or premium (if any) payable in respect of the Bonds, (iii) to change the currency of payment of the Bonds, (iv) to modify or cancel the Conversion Rights (except by a unilateral and unconditional reduction in the Conversion Price) or (v) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any

meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that a resolution (A) in writing signed by or on behalf of the holders of the Bonds of not less than 90 per cent. in aggregate principal amount of the Bonds for the time being outstanding or (B) passed by Electronic Consent (as defined in the Trust Deed) shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of the Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders. A resolution passed in writing and/or an Electronic Consent will be binding on all Bondholders, whether or not they participated in such written resolution and/or such Electronic Consent.

(b) *Modification and Waiver:* The Trustee may (but shall not be obliged to) agree to, without the consent of the Bondholders, (i) any modification (except as mentioned in the Trust Deed) to, or any waiver or authorisation of any breach or proposed breach of, any of these Conditions and any of the provisions of the Trust Deed and the Agency Agreement, provided that such modification, waiver or authorisation is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders, or (ii) any modification to any of these Conditions and any of the provisions of the Trust Deed and the Agency Agreement that, in the opinion of the Trustee, is of a formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provisions of applicable law. The Trustee may (but shall not be obliged to), without the consent of the Bondholders, determine any Event of Default or a Potential Event of Default should not be treated as such, provided that, in the opinion of the Trustee, the interests of the Bondholders will not be materially prejudiced thereby. Any such modification, authorisation or waiver shall be binding on the Bondholders and, unless the Trustee agrees otherwise, such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders promptly in accordance with Condition 16 (*Notices*).

In the event of the passing of an Extraordinary Resolution in accordance with Condition 13(a) (*Meetings*) or a modification, waiver or authorisation in accordance with Condition 13(b) (*Modification and Waiver*), the Issuer will procure that the Bondholders be notified in accordance with Condition 16 (*Notices*).

(c) *Directions from Bondholders:* Neither the Trustee nor the Agents shall be liable to the Issuer, any Bondholder or any other person for any action taken by the Trustee or such Agent in accordance with any instruction, direction, request or resolution of the Bondholders. The Trustee shall be entitled to rely on any instruction, direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed. Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement or these Conditions to exercise any discretion, right or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion, right or power, taking any such action, making any such decision, or giving any such direction, to seek directions or clarifications of directions from the Bondholders by way of an Extraordinary Resolution, and the Trustee is not responsible or liable for any loss or liability incurred by the Issuer, any Bondholder or any other person as a result of any delay in it exercising such discretion, right or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or clarifications of directions or in the event that no such directions or clarification of

directions are received. The Trustee shall not be under any obligation to monitor compliance of any person with the provisions of the Trust Deed, the Agency Agreement or these Conditions.

(d) *Certificates/Reports:* Any certificate, report, opinion or advice of any expert, professional advisor (including the Independent Financial Advisor) or other person called for by or provided to the Trustee (whether or not obtained by or addressed to the Trustee) in accordance with or for the purposes of these Conditions or the Trust Deed may be relied upon by the Trustee as sufficient evidence of the facts therein (and shall, in absence of manifest error, be conclusive and binding on all parties) notwithstanding that such certificate, report, opinion or advice and/or engagement letter or other document entered into by the Trustee, an Agent and the Issuer in connection therewith contains a monetary or other limit on the liability of the relevant expert or person in respect thereof.

(e) *Entitlement of the Trustee:* In connection with the exercise of its functions, rights, powers and/or discretions (including but not limited to those referred to in this Condition 13 (*Meetings of Bondholders, Modification and Waiver*)) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and, in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequences of such exercise for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require on behalf of any Bondholder, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders.

14 Replacement of Certificates

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence (including proof of holding and identity to the satisfaction of the Registrar) and indemnity, security and/or pre-funding as the Issuer and the Registrar may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time, without the consent of the Bondholders, create and issue further bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date and the timing for complying with the requirements set out in these Conditions in relation to the NDRC Post-issuance Filings, the Initial CSRC Post-Issuance Filing and the certification and notification thereof to the Trustee and Bondholders) and so that such further issue shall be consolidated and form a single series with the Bonds. Such further bonds shall be constituted by a deed supplemental to the Trust Deed.

16 Notices

All notices to Bondholders shall be validly given if mailed to them at their respective addresses in the Register maintained by the Registrar or published in a leading newspaper

having general circulation in Hong Kong (which is expected to be the South China Morning Post). Any such notice shall be deemed to have been given on the later of the date(s) of such publication(s) and the seventh day after being so mailed, as the case may be.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or an Alternative Clearing System (as defined in the Trust Deed), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by these Conditions.

17 Agents

The names of the initial Agents and their specified offices are set out below. The Issuer reserves the right, subject to the prior written approval of the Trustee, at any time to vary or terminate the appointment of any Agent and to appoint any additional or replacement Agent. The Issuer will at all times maintain (a) a Principal Agent, (b) a Registrar which will maintain the Register outside the United Kingdom and (c) a Transfer Agent. Notice of any such termination or appointment, of any changes in the specified offices of any Agent and of any change in the identity of any Agent will be given promptly by the Issuer to the Bondholders.

18 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification, on an after tax basis, of the Trustee and for its relief from responsibility, including without limitation provisions relieving it from taking any steps and/or actions and/or proceedings to enforce payment unless indemnified and/or secured and/or pre-funded to its satisfaction. When determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled: (a) to evaluate its risk in any given circumstance by considering the worst-case scenario; and (b) to require that any indemnity or security given to it by the Bondholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

The Trustee is entitled to (a) enter into business transactions with the Issuer and any entity relating to the Issuer and to act as trustee, agent, depositary and/or custodian for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and any entity relating, directly or indirectly, to the Issuer without accounting for any profit, (b) exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Bondholders, and (c) retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trustee may rely conclusively without verification or investigation without liability to Bondholders, the Issuer or any other person on any report, information, confirmation or certificate from or any opinion or advice of any accountants, auditors, lawyers, valuers, auctioneers, surveyors, brokers, financial advisers, financial institution or any other expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely conclusively without verification or investigation on any such report, information, confirmation, certificate, opinion or advice, in which case such report, information, confirmation, certificate, opinion or advice shall be binding on the Issuer and the Bondholders.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer and/or any other person appointed by the Issuer in relation to the Bonds of the duties and obligations on its part expressed in respect of the same and, unless it has express written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any of the Agents shall be under any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions or monitor or ascertain whether a Relevant Event, an Event of Default or a Potential Event of Default has occurred, and none of them shall be liable to the Bondholders or any other person for not doing so.

None of the Trustee or any Agent shall be liable to any Bondholder or any other person for any action taken by the Trustee or such Agent in accordance with the instructions, direction or request of the Bondholders. The Trustee shall be entitled to rely on any instructions, direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed or by way of written resolution or Electronic Consent.

Each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and its Subsidiaries, and the Trustee shall not at any time have any responsibility or liability for the same and each Bondholder shall not rely on the Trustee in respect thereof.

19 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds or any provision of the Trust Deed under the Contracts (Rights of Third Parties) Act 1999 except as contemplated in Condition 12 (*Enforcement*) and to the extent expressly provided for.

20 Governing Law and Submission to Jurisdiction

(a) *Governing law:* The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) *Jurisdiction:* The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with

them and accordingly any legal action or proceedings arising out of or in connection with the Bonds, the Trust Deed and the Agency Agreement ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of Hong Kong and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) *Agent for Service of Process:* The Issuer has irrevocably agreed to accept service of process at its registered office in Hong Kong (currently at Unit 1303, 13/F, Austin Tower 22–26 Austin Avenue, Tsim Sha Tsui Kowloon, Hong Kong), for it and on its behalf, in any Proceedings in Hong Kong. If for any reason the Issuer shall cease to have an office in Hong Kong, the Issuer shall forthwith appoint an agent for service of process in Hong Kong and deliver to the Trustee and the Agents a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(d) *Waiver of Immunity:* The Issuer hereby waives any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and irrevocably consents to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate will contain provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which will modify the effect of the Conditions set out in this Offering Circular. Terms defined in the Conditions have the same meaning in the paragraphs below. The following is a summary of those provisions:

The Bonds will be evidenced by the Global Certificate registered in the name of a nominee of, and deposited with, a common depositary for Euroclear and Clearstream.

Promise to Pay

Under the Global Certificate, the Issuer promises to pay such principal, interest and such other sums and additional amounts (if any) as may be payable under the Conditions to the holder of the Bonds on such date or dates as the same may become payable in accordance with the Conditions.

So long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the relevant clearing system on the Clearing System Business Day immediately prior to the due date for payment, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except for 25 December and 1 January.

Exchange of Bonds Evidenced by Global Certificates

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system selected by the Issuer and approved in writing by the Trustee, the Principal Agent and the Registrar (an "**Alternative Clearing System**") through which the Bonds are cleared is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer will at its own expense cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

Meetings

For the purposes of any meeting of Bondholders, the holder of the Bonds represented by the Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each U.S.$200,000 in principal amount of the Bonds then outstanding.

Notices

So long as the Bonds are evidenced by the Global Certificate and the Global Certificate is held on behalf of Euroclear and Clearstream or any Alternative Clearing System, notices to holders of the Bonds shall be given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds rather than by publication as required by the Conditions and shall be deemed to have been given on the date of delivery to Euroclear and Clearstream or, as the case may be, any Alternative Clearing System.

Redemption at the Option of the Issuer

The option of the Issuer provided for in Condition 8(b) (*Redemption for Taxation Reasons*) and 8(c) (*Redemption at the Option of the Issuer*) of the Conditions shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by the relevant Condition.

Redemption at the Option of the Bondholders

The Bondholder's redemption options in Conditions 8(d) (*Redemption at the Option of the Bondholders*) and 8(e) (*Redemption for the Relevant Event*) of the Conditions may be exercised by the holder of the Global Certificate giving notice to any Paying Agent of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in the relevant Condition.

Bondholders' Tax Option

The option of the Bondholders not to have the Bonds redeemed as provided in Condition 8(b) (*Redemption for Taxation Reasons*) of the Conditions shall be exercised by the presentation to any Paying Agent of a duly completed Tax Option Exercise Notice within the time limits set out in and containing the information required by Condition 8(b) (*Redemption for Taxation Reasons*) of the Conditions.

Conversion

Subject to the requirements of Euroclear and Clearstream (or any Alternative Clearing System), the Conversion Right attaching to a Bond in respect of which the Global Certificate is issued may be exercised at any time during the Conversion Period by the presentation to or to the order of the Conversion Agent of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Bonds. Deposit of the Global Certificate with the Principal Agent together with the relevant Conversion Notice(s) shall not be required. The exercise of the Conversion Right shall be notified by the Principal Agent to the Registrar and the holder of the Global Certificate.

Transfers

Transfers of beneficial interests in the Bonds represented by the Global Certificate will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

Cancellation

Cancellation of any Bond represented by the Global Certificate by the Issuer following its redemption, or purchase by the Issuer or any of its Subsidiaries or in respect of which Conversion Rights have been exercised, will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders and the Global Certificate on its presentation to or to the order of the Registrar for annotation (for information only) in the schedule.

Trustee's Powers

In considering the interests of the Bondholders while the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obligated to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Bonds and (b) consider such interests on the basis that such accountholders were the holders of the Bonds in respect of which the Global Certificate is issued.

DESCRIPTION OF THE SHARES

*The following information is a summary of certain provisions of the Articles of Association currently effective and certain other information concerning the Company. This summary does not purport to be complete and is qualified in its entirety by reference to the Articles of Association and the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "**Companies Ordinance**").*

SHARES

Subject to the provisions of the Companies Ordinance and without prejudice to any special rights attached to any existing shares, any share may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination, as the Directors shall determine).

Subject to the provisions of the Companies Ordinance, any share may be issued, with the sanction of a special resolution, on the terms that it is, or at the option of the Company or the holder is liable, to be redeemed on such terms and in such manner as may be provided by the Articles. In the event of a purchase for redemption of any redeemable share, (i) purchases not made through the market or by tender shall be limited to a maximum price; and (ii) if purchases are by tender, tenders shall be available to all shareholders alike.

Subject to the Companies Ordinance and the Articles, the unissued shares of the Company shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise deal with or dispose of them to such persons and on such terms as the Directors think fit, provided that no share of any class shall be issued at a discount to its nominal value except in accordance with the provisions of the Companies Ordinance.

The Directors may, subject to the approval by the members in general meeting, issue warrants or other rights and grant options to subscribe for any class of shares or securities of the Company on such terms as the Directors may from time to time determine.

The Company may exercise the powers of paying commissions conferred by the Companies Ordinance. Any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or required to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety of it in the registered holder. No share shall be issued to bearer.

VARIATION OF CLASS RIGHTS

Subject to the provisions of the Companies Ordinance, if at any time the capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied, either while the Company is a going concern or during or in contemplation of a winding-up, either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class, but not otherwise. To every such separate meeting the provisions of the Articles relating to general meetings shall apply, save that the necessary quorum at such meeting (other than at an adjourned meeting) shall be not less than two persons together holding or representing by proxy one-third in nominal value of the issued shares of the class in question, and at any adjourned meeting two persons holding shares of that class or by proxy (whatever the number of shares held by them).

The provisions described above shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are varied.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attached to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* with them.

SHARE BUY-BACKS

The Company may exercise any powers conferred or permitted by the Companies Ordinance or any other ordinance from time to time to purchase or otherwise acquire its own shares (including any redeemable shares), or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares in the Company, provided always that any such purchase or other acquisition or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by the Stock Exchange, the Securities and Futures Commission or the relevant regulator or authorities from time to time in force.

SHARE CERTIFICATES

Every person whose name is entered as a member in the register shall be entitled, without payment, to receive within two months after allotment or ten business days of the lodgement of an instrument of transfer duly stamped (or within such other period as the terms of issue shall provide), one certificate for all his shares of any particular class, or, upon payment of a fee not exceeding the maximum amount as the Stock Exchange may from time to time permit for every certificate after the first, several certificates each for one or more of his shares.

Every certificate shall be issued under the seal of the Company and shall specify the number and class of shares and, if required, the distinctive numbers thereof to which the certificate relates, and the amount paid up thereon. The Company shall not be bound to issue more than one certificate for shares held jointly by several persons, and delivery of a certificate to one of several joint holders shall be a sufficient delivery to all such holders.

If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on payment of such fee (if any) as may from time to time be permitted under the rules prescribed by the Stock Exchange and on such other terms (if any) as to evidence and indemnity and payment of any out-of-pocket expenses incurred by the Company in investigating evidence as the Directors may think fit, and (in the case of defacement or wearing-out) on delivery up of the old certificate.

If at any time the share capital of the Company is divided into different classes of shares, every share certificate issued at that time shall comply with the provisions of the Companies Ordinance, and no certificate shall be issued in respect of more than one class of shares. The Company shall not be bound to register more than four persons as the holders of any shares except in the case of the legal personal representatives of a deceased member.

TRANSFER OF SHARES

The right of members to transfer their fully-paid shares shall not be restricted by any rights of pre-emption (except where permitted by the Stock Exchange). All transfers of shares must be effected by an instrument of transfer in writing in any usual form or in a form prescribed by the Stock Exchange or in any other form which the Directors approve, executed by or on behalf of the transferor and by or on behalf of the transferee. The transferor shall be deemed to remain the holder of the share(s) concerned until the name of the transferee is entered in the register in respect thereof.

The Directors may, at any time in their absolute discretion and without giving any reason, refuse to register the transfer of any share which is not fully paid. In particular, the Directors may refuse to register a transfer of a share if all or any of the following conditions are not satisfied: (a) the instrument of transfer is lodged, duly stamped, at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by the certificate for the share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, together with payment of a fee as permitted under the rules prescribed by the Stock Exchange; (b) the instrument of transfer is in respect of only one class of share; (c) the instrument of transfer is in favour of not more than four transferees; (d) the shares concerned are free of any lien in favour of the Company; or (e) such other conditions as the Directors may from time to time impose for the purpose of guarding against losses arising from forgery are satisfied.

If the Directors refuse to register a transfer of a share, they shall within ten business days after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal in accordance with the Companies Ordinance.

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods as the Directors may, in accordance with the Companies Ordinance, from time to time determine, either generally or in respect of any class of shares.

ALTERATIONS OF CAPITAL

The Company may by ordinary resolution: (a) increase its share capital by new shares of such amount as the resolution prescribes; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (c) sub-divide its shares, or any of them, into shares of smaller amount; (d) divide its shares into several classes and attach to them respectively any preferential, deferred, qualified or special rights, privileges or conditions, *provided that* where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares, and where the equity capital includes shares with different voting rights, the designation of each class of shares (other than those with the most favourable voting rights) must include the words "restricted voting" or "limited voting"; (e) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; or (f) make provision for the issue and allotment of shares which do not carry any voting rights.

The Company may by special resolution reduce its share capital, any capital redemption reserve fund and any share premium account in any manner and with, and subject to, any incident authorised and consent required by law.

GENERAL MEETINGS

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and place as the Directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by the Companies Ordinance.

NOTICE OF GENERAL MEETINGS

Subject to the provisions of the Companies Ordinance, an annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 clear days' notice in writing, and all other extraordinary general meetings shall be called by at least 14 clear days' notice in writing. The notice shall specify the place, the day and the time of meeting and, in the case of special business, the general nature of such business, and in the case of an annual general meeting shall specify the meeting as such.

A meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified above, be deemed to have been duly called if it is so agreed: (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

No business shall be transacted at any meeting unless a quorum is present when the meeting proceeds to business and continues to be present until the conclusion of the meeting. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum.

If a quorum is not present within half an hour after the time appointed for holding the meeting, the meeting, if convened on the requisition of or by members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week at the same time and place, or to such day, time and place as the Directors may determine. If at the adjourned meeting a quorum is not present within half an hour after the time appointed for holding the meeting, the member or members present in person or by proxy or a duly authorised representative of a corporation which is a member shall be a quorum and may transact the business for which the meeting was called.

The chairman (if any) of the Board, or, in his absence, the vice-chairman (if any), or, in the absence of both, some other Director nominated by the Directors, shall preside as chairman of every general meeting of the Company.

The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original notice.

At any general meeting of the Company, a resolution put to the vote of the meeting shall be decided by way of a poll. The result of the poll shall be deemed to be the resolution of the meeting. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.

Subject to the provisions of the Companies Ordinance, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.

VOTES OF MEMBERS

Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with the Articles, at any general meeting on a poll every member of the Company present in person or by proxy or, in the case of a member of the Company being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder, but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A member entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders is present at any meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. Seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member may appoint more than one proxy to attend on the same occasion. A proxy need not be a member of the Company.

The instrument appointing a proxy and any authority under which it is executed (or a copy of the authority certified notarially) may be deposited at the registered office of the Company or at such other place in Hong Kong as is specified in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within 12 months from such date.

If a clearing house (or its nominee(s)), being a corporation, is a member of the Company, it (or, as the case may be, its nominee) may authorise such persons as it thinks fit to act as its proxy(ies) or representative(s) at any meeting of the Company or at any meeting of any class of members of the Company, provided that, if more than one person is so authorised, the proxy form or authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Each person so authorised shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).

CAPITALISATION OF RESERVES

The Directors may, with the authority of an ordinary resolution of the Company, capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of any reserve or fund of the Company (including any share premium account or capital redemption reserve), and apply such sum on behalf of members in or towards paying up the amounts (if any) for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively, *provided that* the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for these purposes, only be applied in paying up unissued shares to be allotted to members credited as fully paid.

DIVIDENDS

Subject to the Companies Ordinance, the Company in general meeting may from time to time declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board. The Company in general meeting may also make a distribution to the members out of any contributed surplus (as ascertained in accordance with the Companies Ordinance). No dividend shall be paid or distribution made out of contributed surplus if to do so would render the Company unable to pay its liabilities as they become due, or the realisable value of its assets would thereby become less than the aggregate of its liabilities and its issued share capital and share premium accounts.

Except in so far as the rights attached to, or the terms of issue of, any share otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid (no amount paid up in advance of calls being treated as paid up on the share for this purpose) and apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates whenever such profits, in the opinion of the Board, justify such payment.

No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. The Company may, upon the recommendation of the Board, by ordinary resolution resolve in respect of any one particular dividend that, notwithstanding the foregoing, a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

The Board may on any occasion determine that rights of election and the allotment of shares as aforesaid shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six years from the date of declaration shall be forfeited and shall revert to the Company.

ACCOUNTS

The Directors shall cause proper books and accounts to be kept in respect of all the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Ordinance or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of account shall be kept at the registered office of the Company or at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors. No member (other than a Director) shall have any right of inspecting any accounting record or other document of the Company unless he is authorised to do so by statute, by order of the court, by the Directors or by ordinary resolution of the Company.

The Directors shall from time to time, in accordance with the provisions of the Companies Ordinance, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Companies Ordinance. The Company may, after it has made adequate arrangements to ascertain the preference of its members, holders of its debentures and all other persons entitled to receive notices of general meetings of the Company and in accordance with applicable laws and regulations, deliver or send to each of the aforesaid persons a copy of either (i) the relevant financial documents or (ii) the summary financial report at least 21 days before the date of the general meeting.

MARKET PRICE INFORMATION

The Shares have been listed on the Hong Kong Stock Exchange (Stock Code: 1258) since the Company's initial public offering on 28 June 2012. Prior to that time, there was no public market for the Company's Shares.

The table below sets forth, for the periods indicated, the high and low closing prices per Share, as reported on the Hong Kong Stock Exchange:

Year	**Closing Share Price**	
	High	**Low**
	(HK$)	
2023		
First quarter ended 31 March 2023	4.43	3.54
Second quarter ended 30 June 2023	4.6	3.6
Third quarter ended 30 September 2023	5.5	3.73
Fourth quarter ended 31 December 2023	5.13	4.47
2024		
First quarter ended 31 March 2024	6.8	4.79
Second quarter ended 30 June 2024	8.7	6.16
Third quarter ended 30 September 2024	7.03	4.68
Fourth quarter ended 31 December 2024	6.44	4.92
2025		
First quarter ended 31 March 2025	5.96	4.75
Second quarter ended 30 June 2025	7.63	4.41
Third quarter ended 30 September 2025	14.98	7.06
Fourth quarter ended 31 December 2025	16.85	13.21
2026		
First quarter ended 31 March 2026	18.23	10.57
Second quarter ended 30 June 2026	15.45	11.25

DIVIDENDS

The Company adopted a policy on payment of dividends (the "**Dividend Policy**") in March 2019, which established an appropriate procedure on declaring and recommending the dividend payment of the Company.

The Company will declare and/or recommend the payment of dividends to the Shareholders after considering the Company's ability to pay dividends, which will depend on a number of factors, including but not limited to:

(i) the Group's actual and expected financial performance;

(ii) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;

(iii) retained profits and distributable reserves of the Company and each of the members of the Group;

(iv) the Group's liquidity position;

(v) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and

(vi) any other factors that the Board deems relevant.

The Board has complete discretion on whether to pay a dividend, subject to Shareholders' approval, where applicable. Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors of and affecting the Group. The Board may also consider declaring interim dividends from time to time.

The Company shall review and reassess the Dividend Policy and its effectiveness on a regular basis or as required. The Board proposed a final dividend of US¢4.1446 per Share for the year ended 31 December 2025, which was approved by the Shareholders at the annual general meeting held on 25 June 2026 and paid on 14 July 2026.

On 21 August 2026, the Board declared an interim dividend of US¢1.1113 per Share for the six months ended 30 June 2026. The interim dividend is expected to be paid in Hong Kong dollars at HK$0.087154 per Share on 17 September 2026 to Shareholders whose names appear on the register of members of the Company on 7 September 2026. The proposed Interim Dividend will be paid on 17 September 2026.

TAXATION

The following summary of certain Hong Kong and PRC tax consequences of the purchase, ownership and disposition of the Bonds and Shares is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retrospective effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds or Shares and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Bonds or Shares or any persons acquiring, selling or otherwise dealing in the Bonds or Shares or on any tax implications arising from the acquisition, sale or other dealings in respect of the Bonds or Shares. Persons considering the purchase of the Bonds should consult their own tax advisers concerning the possible tax consequences of buying, holding, converting or selling any Bonds or Shares under the laws of their country of citizenship, residence or domicile.

Hong Kong

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Bonds or in respect of any capital gains arising from the sale of the Bonds.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest (if any) on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

(i) interest (if any) on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;

(ii) interest (if any) on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;

(iii) interest (if any) on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the "**IRO**")) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

(iv) interest (if any) on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

In addition, with effect from 1 January 2024, pursuant to various foreign-sourced income exemption legislation in Hong Kong (the "**FSIE Amendments**"), certain specified foreign-sourced income (including interest, dividend, disposal gain or intellectual property income, in each case, arising in or derived from a territory outside Hong Kong) accrued to an MNE entity (as defined in the FSIE Amendments) carrying on a trade, profession or business in Hong Kong is regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when it is received in Hong Kong. The FSIE Amendments also provide for relief against double taxation in respect of certain foreign-sourced income and transitional matters.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of a Bond.

PRC

Pursuant to the Enterprise Income Tax Law effective on 1 January 2008 and the PRC Individual Income Tax Law effective on 1 January 2019, and their respective implementation regulations, an income tax is imposed on payments of interest by way of withholding in respect of the Bonds, made by the Company (if Company is regarded as a PRC enterprise under the Enterprises Income Tax Law and/or the Individual Income Tax Law) to non-resident Bondholders, including non-resident enterprises and non-resident individuals. The current rates of such income tax are 20 per cent. (for non-resident individuals) and 10 per cent. (for non-resident enterprises) of the gross amount of the interest. If the relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the "de facto management bodies" of the Company are within the territory of the PRC, the Company may be held to be a PRC tax resident enterprise for the purpose of the Enterprise Income Tax Law and be subject to enterprise income tax at the rate of 25% in respect of its income sourced from both within and outside PRC. If the Company is regarded as a PRC tax resident enterprise, such enterprise income tax shall be withheld by the Company that is acting as the obligatory withholder and it shall withhold the tax amount from each payment due.

However, the tax so charged on interests paid on the Bonds to non-resident Bondholders who or which are residents of Hong Kong (including enterprise holders and individual holders) as defined under the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) which was promulgated on 21 August 2006 (the "**Tax Arrangement**") for the purpose of the avoidance of double taxation will be 7 per cent. of the gross amount of the interest pursuant to the Tax Arrangement and relevant interpretation of the Tax Arrangement formulated by the State Administration of Taxation of China.

Under the Enterprise Income Tax Law and its implementation rules, any gains realised on the transfer of the Bonds by holders who are deemed under the Enterprise Income Tax Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the Enterprise Income Tax Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. In addition, there is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Tax Arrangement, Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, may be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds.

VAT

Pursuant to Circular 36 which took effect on 1 May 2016, entities and individuals providing services within the PRC are subject to VAT. The services are treated as being sold within the PRC where either the service provider or the service recipient is located in the PRC. The services subject to VAT include the provision of financial services such as the provision of loans. Circular 36 further clarifies that "loans" refer to the activity of lending capital for another's use and receiving interest income thereon. Based on the definition of "loans" under Circular 36, the issuance of the Bonds is likely to be treated as a "loan" provided by the Bondholders to the Company, which thus shall be regarded as financial services for VAT purposes. In general, the income derived from the provision of loans will not be subject to VAT in the PRC if none of the Company or the Bondholders is within the PRC. However, it is uncertain whether a foreign incorporated company which is deemed to be a PRC resident enterprise would be regarded as being within the PRC. In the event that the Company is deemed to be a PRC resident enterprise and is deemed to be within the PRC by the PRC tax authorities, the Bondholders may be deemed to be providing financial services to the Company within the PRC and consequently, the amount of interest on the Bonds payable by the Company to any non-resident Bondholders may be subject to withholding VAT at the rate of 6 per cent. plus related surcharges.

Where a holder of the Bonds who is an entity or individual located outside of the PRC resells the Bonds to an entity or individual located outside of the PRC and derives any gain, since neither the service provider nor the service recipient is located in the PRC, theoretically Circular 36 does not apply and the Company does not have the obligation to withhold the VAT or the local levies. However, there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC.

The interpretation and enforcement of Circular 36 and other applicable laws and regulations pertaining to PRC VAT involve uncertainties, and the above statements may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority. There is uncertainty as to the application of Circular 36.

Pursuant to the Enterprise Income Tax Law, the PRC Individual Income Tax Law and the VAT reform detailed above, if the Company is regarded as a PRC tax resident enterprise, it shall withhold income tax (should such tax apply) from the payments of interest in respect of the Bonds for any non-resident Bondholder and the Company shall withhold VAT (should such tax apply) from the payments of interest in respect of the Bonds for any Bondholder located outside of the PRC. However, in the event that the Company is required to make such a deduction or withholding (whether by way of income tax, VAT or otherwise), the Company has agreed to pay such additional amounts as will result in receipt by the Bondholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, as further set out in the "*Terms and Conditions of the Bonds*".

Stamp duty

No PRC stamp duty will be imposed on non-resident Bondholders either upon issuance of the Bonds or upon a subsequent transfer of Bonds to the extent that the register of holders of the Securities is maintained outside the PRC and the issuance and the sale of the Bonds is made outside of the PRC.

SUBSCRIPTION AND SALE

The Company has entered into a subscription agreement with the Sole Lead Manager dated 26 August 2026 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, the Company has agreed to sell to the Sole Lead Manager, and the Sole Lead Manager has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds in the amounts as set out below.

Sole Lead Manager	**Principal amount of Bonds to be subscribed**
	U.S.$
China International Capital Corporation	300,000,000
Total	**300,000,000**

The Company has agreed to indemnify the Sole Lead Manager against certain liabilities in connection with the offer and sale of the Bonds. The Subscription Agreement provides that the obligations of the Sole Lead Manager are subject to certain conditions precedent, and entitles the Sole Lead Manager to terminate the Subscription Agreement in certain circumstances at any time up to the time when subscription moneys have been received and the Bonds issued.

The Sole Lead Manager and certain of its respective affiliates have, from time to time, performed, and may in the future perform, certain investment banking and advisory services for the Company and/or its affiliates for which its has received or will receive customary fees and expenses. The Sole Lead Manager and its respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. In the ordinary course of their various business activities, the Sole Lead Manager and its respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and instruments of the Company. The Sole Lead Manager and its respective affiliates may make investment recommendations and/or publish or express independent research views (positive or negative) in respect of the Bonds or the other financial instruments of the Issuer, and may recommend to their clients that they acquire long and/or short positions in the Bonds or other financial instruments.

The Sole Lead Manager or its respective affiliates may purchase the Bonds for their own account and enter into transactions, including (i) credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities or (ii) equity derivatives and stock loan transactions relating to the Shares of the Company or its subsidiaries or associates at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Bonds to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds). The Sole Lead Manager and certain of its respective subsidiaries or affiliates have performed certain commercial banking, investment banking and advisory services for the Company or the Group from time to time for which they have received customary fees and expenses. In addition to the transaction services for the Company or the Group, the Sole Lead Manager may, from time to time, engage in other transactions with and perform services for the Company or the Group in the ordinary course of business of the Company or the Group. In addition, the Sole Lead Manager and certain of its respective subsidiaries and affiliates may hold Shares as beneficial owners, on behalf of clients or in the capacity of investment advisers.

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

The Issuer has undertaken with the Sole Lead Manager that neither the Issuer nor any person acting on its behalf will (a) issue, offer, sell, contract to sell, pledge, encumber or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Sole Lead Manager between the date of the Subscription Agreement and the date which is 90 days after the Issue Date (both dates inclusive); except for (i) the Bonds and (ii) the issuance of the new Shares as a result of conversion of the Bonds.

SELLING RESTRICTIONS

GENERAL

The distribution of this Offering Circular or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular or any offering material are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

No action has been or will be taken in any jurisdiction by the Manager or the Issuer that would permit a public offering of the Bonds, or possession or distribution of the Offering Circular or any other offering or publicity material relating to the Bonds (including Roadshow Materials), in any country or jurisdiction where action for that purpose is required.

United States

The Bonds and the Shares to be issued upon conversion of the Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Sole Lead Manager represents and warrants that it has not offered or sold, and agrees that it will not offer or sell, any Bonds as part of its allotment distribution at any time within the United States except in accordance with Rule 903 of Regulation S outside the United States. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds or the Shares to be issued upon conversion of the Bonds. Terms used in this paragraph have the meaning given to them by Regulation S.

United Kingdom

The Sole Lead Manager has represented, warranted and agreed that:

(i) (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Bonds other than to persons whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of its businesses where the issue of the Bonds would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Prohibition of Sales to EEA Retail Investors

The Sole Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by the Offering Circular to any retail investor in the European Economic Area. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to UK Retail Investors

The Sole Lead Manager has represented and agreed that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Bonds which are the subject of the Offering Circular to any retail investor in the United Kingdom.

For the purposes of this provision, the expression "**retail investor**" means a person who is not a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The PRC

The Sole Lead Manager has represented, warranted and agreed that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China, except as permitted by the securities laws or other relevant regulations of the People's Republic of China.

Hong Kong

The Sole Lead Manager has represented, warranted and undertaken that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "**professional investors**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

The Sole Lead Manager has acknowledged that this Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Sole Lead Manager has represented and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Japan

The Sole Lead Manager has acknowledged that the Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, the Sole Lead Manager has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct – Important Notice to CMIs (including private banks):

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). The Sole Lead Manager is also acting as the OC for this offering and is subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Company, a CMI or its group companies would be considered under the SFC Code as having an Association with the Company, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Company or any CMI (including its group companies) and inform the Sole Lead Manager accordingly.

CMIs are informed that the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular.

CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Bonds (except for omnibus orders where underlying investor information may need to be provided to the OC when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Company. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Bonds.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, the Sole Lead Manager in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Bonds, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to: IB_Project_312@cicc.com.cn

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to the OC; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to the OC. By submitting an order and providing such information to the OC, each CMI (including private banks) further warrants that it and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by the OC and/or any other third parties as may be required by the SFC Code, including to the Company, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The Sole Lead Manager may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the Sole Lead Manager with such evidence within the timeline requested.

GENERAL INFORMATION

1. **Legal Entity Identifier:** The legal entity identifier of the Issuer is 529900VMGR2N3QX9OV63.

2. **Clearing Systems:** The Bonds have been accepted for clearance through Euroclear and Clearstream under Common Code 339589828 and the International Securities Identification Number for the Bonds is XS3395898284.

3. **Listing of Shares:** Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Shares issuable on conversion of the Bonds, and listing is expected to become effective when such Shares are issued.

4. **Listing of Bonds:** Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only, and such listing is expected to become effective on or about 3 September 2026.

5. **Authorisations:** The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Bonds. The issue of the Bonds, the allotment and issue of the Shares issuable upon conversion of the Bonds, and the execution of the relevant transaction documents were duly authorised pursuant to (a) the general mandate granted to the Directors by an ordinary resolution of the shareholders of the Issuer passed at its annual general meeting held on 25 June 2026; and (b) resolutions of the Board of Directors of the Issuer passed on 25 June 2026.

6. **No Material Adverse Change:** There has been no material adverse change in the financial or trading position or prospects of the Issuer or the Group since 30 June 2026.

7. **Litigation:** Save as disclosed in this Offering Circular, neither the Issuer nor any of its subsidiaries is involved in any litigation or arbitration proceedings which are material in the context of the Bonds nor is the Issuer aware that any such proceedings are pending or threatened.

8. **Financial Statements:** The Audited Financial Statements incorporated by reference in this Offering Circular have been audited by KPMG in accordance with the Hong Kong Standards on Auditing issued by the HKICPA, as stated in its report appended to such statements. The Company's 2026 Interim Financial Information, which was incorporated by reference in this Offering Circular, was derived from the unaudited interim results of the Company for the six months ended 30 June 2026.

9. **Documents:** Copies of the Company's Memorandum and Articles of Association and copies of the Trust Deed and the Agency Agreement will be available for inspection from the Issue Date, at the office of the Company at Unit 1303, 13/F, Austin Tower 22-26 Austin Avenue, Tsim Sha Tsui Kowloon, Hong Kong. For so long as any of the Bonds is outstanding, copies of the Trust Deed and the Agency Agreement (a) will be available for inspection from the Issue Date at all reasonable times during normal business hours (being between 9.00 a.m. (Hong Kong time) and 3.00 p.m. (Hong Kong time)) at the principal office for the time being of the Trustee (being as at the Issue Date at 3/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong) and (b) electronically to a requesting Bondholder from the Principal Agent, in each case following prior written request and provision of proof of holding and identity to the satisfaction of the Principal Agent.

ISSUER

China Nonferrous Mining Corporation Limited (中國有色礦業有限公司)

Registered address
Unit 1303, 13/F, Austin Tower
22–26 Austin Avenue
Tsim Sha Tsui
Kowloon, Hong Kong

Principal place of business
CNMC Building
No. 10 Anding Road, Chaoyang District
Beijing

AUDITOR

KPMG
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

TRUSTEE

China Construction Bank (Asia) Corporation Limited
(中國建設銀行(亞洲)股份有限公司)
28/F, CCB Tower, 3 Connaught Road Central,
Central, Hong Kong

REGISTRAR AND TRANSFER AGENT

China Construction Bank (Asia) Corporation Limited
(中國建設銀行(亞洲)股份有限公司)
28/F, CCB Tower, 3 Connaught Road Central,
Central, Hong Kong

PRINCIPAL AGENT

China Construction Bank (Asia) Corporation Limited
(中國建設銀行(亞洲)股份有限公司)
28/F, CCB Tower, 3 Connaught Road Central,
Central, Hong Kong

LEGAL ADVISERS

To the Issuer as to Hong Kong law and English law

Zhonglun Law Firm LLP
4/F., Jardine House
1 Connaught Place
Central
Hong Kong

To the Issuer as to PRC law

Zhonglun Law Firm LLP
22-24, 27-31/F., South Tower of CP Center
20 Jin He East Avenue, Chaoyang District
Beijing

To the Sole Lead Manager as to Hong Kong and English law

Linklaters
11/F Alexandra House
Chater Road
Hong Kong SAR

To the Trustee as to Hong Kong and English law

Linklaters
11/F Alexandra House
Chater Road
Hong Kong SAR

To the Sole Lead Manager as to PRC law

Haiwen & Partners
26/F Tower 1 Jing An Kerry Center
No. 1515 Nan Jing West Road
Shanghai