THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Jiangxi Copper Company Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

CONTINUING CONNECTED TRANSACTIONS, CONNECTED TRANSACTION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee and Independent Shareholders

Lego Corporate Finance Limited
力高企業融資有限公司

All capitalised terms used in this circular shall have the meanings set out in the section headed "Definitions" of this circular. A letter from the Board is set out on pages 1 to 39 of this circular. A letter from the Independent Board Committee is set out on page 40 of this circular. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages 41 to 81 of this circular.

A notice convening the EGM to be held at the Conference Room of the Company at JCC International Plaza, 7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi, the PRC at 2:30 p.m. on Wednesday, 2 December 2026 (or any adjournment thereof), is set out on pages 85 to 87 of this circular.

Whether or not you are able to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

12 November 2026

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

"2023 Agreements"	the 2023 Consolidated Supply and Services Agreement I, the 2023 Consolidated Supply and Services Agreement II and the 2023 Land Use Rights Leasing Agreement
"2023 Announcement"	the announcement of the Company dated 10 November 2023
"2023 Circular"	the circular of the Company dated 12 December 2023
"2023 Consolidated Supply and Services Agreement I"	the consolidated supply and services agreement I dated 10 November 2023 entered into between JCC and the Company for, among others, the supply of various materials and provision of consolidated services by JCC Group to the Group
"2023 Consolidated Supply and Services Agreement II"	the consolidated supply and services agreement II dated 10 November 2023 entered into between JCC and the Company for, among others, the supply of various materials and provision of consolidated services by the Group to JCC Group
"2023 Land Use Rights Leasing Agreement"	the land use rights leasing agreement dated 10 November 2023 entered into between the Company and JCC in respect of the lands covering an area of approximately 50,737,714.77 square meters situated in Jiangxi Province
"A Share(s)"	Renminbi-denominated domestic share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange
"Agreement 1"	the consolidated supply and services agreement dated 30 September 2026 entered into between JCC and the Company for, among others, the supply of various materials and provision of consolidated services by JCC Group to the Group
"Agreement 2"	the consolidated supply and services agreement dated 30 September 2026 entered into between JCC and the Company for, among others, the supply of various materials and provision of consolidated services by the Group to JCC Group
"Agreements"	Agreement 1, Agreement 2 and Land Use Rights and Properties Leasing Agreement
"associate(s)"	has the meaning ascribed to it under the Listing Rules

"Audit Committee"	the audit committee of the Company
"blister copper"	copper which has been cast after passing through a converter. Blister copper is approximately 98.5% copper and takes its name from "blisters" formed on the surface
"Board"	the board of Directors
"Company"	Jiangxi Copper Company Limited, a sino-foreign joint venture joint stock limited company incorporated in the PRC
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Continuing Connected Transactions"	those continuing connected transactions contemplated under Agreement 1 and Agreement 2
"copper cathode"	copper sheet which contains 99.9% and above copper produced by either an electrolytic refining process or by electrowinning
"copper concentrates"	a product of the concentrator usually containing 20% to 30% copper, which is a raw material for smelting
"Director(s)"	director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be held at the Conference Room of the Company at JCC International Plaza, 7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi, the PRC at 2:30 p.m. on Wednesday, 2 December 2026 (or any adjournment thereof) to consider, among others, the ordinary resolutions to be proposed to approve the Agreements and the Proposed Caps
"Group"	the Company and its subsidiaries from time to time
"H Share(s)"	overseas listed foreign share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in HK$
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong

"IFRS 16"	the International Financial Reporting Standards 16 "Leases"
"Independent Board Committee"	an independent committee comprising all the independent non-executive Directors established by the Board to advise the Independent Shareholders on the Agreements and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders other than JCC and its associates
"Independent Third Party(ies)"	party(ies) who and whose ultimate beneficial owners are third parties independent of the Group and its connected persons
"JCC"	Jiangxi Copper Corporation Limited (formerly known as Jiangxi Copper Corporation), a substantial shareholder holding approximately 45.72% of the total issued share capital of the Company as at the Latest Practicable Date
"JCC Group"	JCC and its subsidiaries (other than the Group) from time to time
"Land"	lands covering an area of approximately 50,419,966.97 square meters situated in Jiangxi Province (including 50,403,196.80 square meters of land and 16,770.17 square meters of properties)
"Land Use Rights and Properties Leasing Agreement"	the land use rights and properties leasing agreement dated 30 September 2026 entered into between the Company and JCC in respect of the Land
"Latest Practicable Date"	3 November 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
"Lego" or "Independent Financial Adviser"	Lego Corporate Finance Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Agreements and the transactions contemplated thereunder
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"LME"	London Metal Exchange
"Percentage Ratio(s)"	the applicable percentage ratio(s) under Rule 14.07 of the Listing Rules
"PRC"	the People's Republic of China
"Proposed Cap(s)"	the proposed maximum annual aggregate value(s) for the Continuing Connected Transactions contemplated under Agreement 1 and Agreement 2 which are subject to approval respectively
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"Share(s)"	the A Share(s) and/or the H Share(s)
"Shareholder(s)"	the holder(s) of the Shares
"SSE Listing Rules"	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules

Translation of Renminbi into Hong Kong dollars is based on the exchange rate of RMB0.8598 = HK$1.

* *For identification purposes only*

江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

Board of Directors
Executive Directors:
Mr. Zhou Shaobing *(Chairman)*
Mr. Gao Jian-min
Mr. Liang Qing
Mr. Yu Minxin

Employee Director:
Mr. Miao Shenggang

Independent non-executive Directors:
Mr. Wang Feng
Ms. Lai Dan
Ms. Liu Shuying
Mr. Liu Zhihong

Legal address:
15 Yejin Avenue
Guixi City
Jiangxi Province
The PRC

Principal place of business in Hong Kong:
Suite 4501, 45th Floor
Office Tower
Convention Plaza
1 Harbour Road
Wanchai
Hong Kong

12 November 2026

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS, CONNECTED TRANSACTION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

Reference is made to the announcement of the Company dated 30 September 2026 in respect of, among other things, the Continuing Connected Transactions and connected transaction of the Company contemplated under the Agreements (as the case may be). As the 2023 Agreements and their respective annual caps will expire on 31 December 2026 and the Group intends to continue to carry out the transactions under the 2023 Agreements, the Company has entered into the Agreements with JCC on 30 September 2026. The Directors are of the view that, the entering into of the Agreements facilitates the reasonable allocation and adequate utilisation of the existing assets of each party, optimising the realisation of resource sharing and mutual advantages of each party, so as to enhance sustainable and stable development of production and operation of the Group, reduce overlapping investments and save expenditure of the Group, as well as increase the overall efficiency of the Group. In addition, as the terms of the Agreements are substantially similar to the terms of the 2023 Agreements, the entering into of the Agreements will not pose additional burden on the Company.

The purpose of this circular is to provide you with, inter alia, (i) information regarding the Agreements together with the Proposed Caps, (ii) a letter of recommendation from the Independent Board Committee and (iii) a letter of advice from Lego, together with (iv) a notice of EGM, to enable you to make an informed decision as to whether to vote for or against the relevant resolutions to be proposed at the EGM.

II. AGREEMENT 1

The Company entered into Agreement 1 on 30 September 2026 with JCC in relation to, among others, the supply of various materials and provision of consolidated services by JCC Group to the Group.

The principal terms of Agreement 1 are summarised as follows:

Date

30 September 2026

Parties

1. the Company; and

2. JCC.

Particulars of Agreement 1

Pursuant to Agreement 1, JCC agreed to supply various materials and provide consolidated services to the Group for a term of three years commencing from 1 January 2027 up to 31 December 2029.

Save as otherwise provided, in the event that the Group no longer requires any one type of supply of materials or provision of consolidated services by JCC Group under Agreement 1, the Company shall give JCC three months' notice in writing prior to terminating such supply of materials or provision of consolidated services.

Supply of various materials by JCC Group

Pursuant to Agreement 1, JCC Group will provide to the Group certain materials required for the production and/or operation of the Group. These materials will mainly include the following:

a. copper concentrates and gold, silver and sulphur contents contained therein;

b. materials such as rubber products, emulsifiers, pigments and woven bags produced or processed by JCC Group and other auxiliary materials (including but not limited to loose stones, limestone, bamboo products and scrap steel) which are required for the production of the Group's products;

c. spare parts and processing parts which are required for the production of the Group's products, with spare parts including but not limited to machinery components such as mining spare parts, high manganese cast steel, cast iron, cast steel, cold welding components, sand pumps, switch boxes and other spare parts, and processing parts (non-standard items) including but not limited to rollers and liners, etc.; and

d. gold and silver produced from the smelting of lead concentrates and zinc concentrates.

Provision of consolidated services by JCC Group

Pursuant to Agreement 1, the following services will be provided by JCC Group to the Group:

a. engaged processing services;

b. machinery and electrical equipment repair services;

c. construction and installation services;

d. futures brokerage services;

e. public facilities services for living and production;

f. daily welfare services;

g. environmental hygiene and greenery services; and

h. labour services.

Pursuant to Agreement 1, if applicable, terms provided by JCC in relation to the supply of various materials and the provision of consolidated services under Agreement 1 will be no less favourable than terms provided by Independent Third Parties in respect of similar materials and services (as the case may be). In addition, the Company is entitled to obtain such materials and services from Independent Third Parties if the terms provided by Independent Third Parties are in the interest of the Company after overall consideration and comparing the terms provided by JCC and Independent Third Parties.

According to the terms and conditions of Agreement 1, the obligations and liabilities of the Company and JCC shall be performed by members of the Group and JCC Group respectively. The parties may enter into corresponding implementation contracts on the basis of Agreement 1 for the actual supply and provision of services under specific items to agree on matters including, but not limited to, specific payment arrangements.

Supply of various materials by JCC Group

The copper concentrates to be supplied by JCC Group to the Group must meet the following standards and requirements:

(1) the copper concentrates generally contain no less than 18% copper, while the copper concentrates recovered from tailings contain no less than 8% copper; and

(2) in the event that the production of JCC Group is affected by factors such as geology, climate changes or production equipment failure, JCC Group may negotiate with the Group to properly adjust the grade and quality requirements of copper concentrates after obtaining the Group's consent.

Supply of copper concentrates

JCC agreed to supply the Group with copper concentrates at a price determined with reference to the market prices of copper concentrates of the same quality. The price shall be determined with reference to the publicly available market prices of copper on the Shanghai Futures Exchange (http://www.shfe.com.cn/), LME (http://www.lme.com/), Shanghai Gold Exchange (http://www.sge.com.cn/) and Changjiang Non-Ferrous Metal Spot* (長江有色金屬現貨) (http://www.ccmn.cn/), etc. In addition, JCC agreed to grant the Group the right of first refusal to purchase the copper concentrates from JCC Group at prices no higher than the purchase prices that the Group can otherwise obtain in the market.

Supply of gold, silver and sulphur contents contained in copper concentrates

JCC agreed to supply the Group with gold, silver and sulphur contents contained in copper concentrates at a price determined with reference to the market prices of gold, silver and sulphur contents contained in copper concentrates of the same quality. The price of gold and silver contents contained in copper concentrates shall be determined with reference to the publicly available market prices of gold and silver on the Shanghai Futures Exchange (http://www.shfe.com.cn/), LME (http://www.lme.com/), Shanghai Gold Exchange (http://www.sge.com.cn/) and Changjiang Non-Ferrous Metal Spot* (長江有色金屬現貨) (http://www.ccmn.cn/), etc.

For sulphur contents contained in copper concentrates, apart from purchasing from JCC, the Company will also purchase from other suppliers in the PRC. In determining the price of sulphur contents contained in copper concentrates, the Company will make reference to and ensure that the price to be offered by JCC to the Company will not be higher than the prices offered by at least two Independent Third Parties when entering into agreements with JCC.

Supply of materials and other auxiliary materials which are required for the production of the Group's products

JCC agreed to supply the Group with materials such as rubber products, emulsifiers, pigments and woven bags produced or processed by JCC Group and other auxiliary materials which are required for the production of the Group's products including but not limited to loose stones, limestone, bamboo products and scrap steel at prices determined with reference to the prices in the local market to which such products are being delivered (i.e. the quotations offered by at least two suppliers who are Independent Third Parties, for similar auxiliary materials). If there are no such market prices, the prices to be charged shall be determined based on a price no higher than the prices charged by JCC Group on its members, or based on the costs plus applicable taxes (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

The Group shall, in principle, pay 80% of the total amount for the purchase of the auxiliary materials to JCC Group within 7 days of receipt of such materials and the remaining 20% of the total amount for such materials to JCC Group upon acceptance after satisfactory inspection. The parties may agree on specific settlement method in the implementation contract.

Supply of spare parts and processing parts which are required for the production of the Group's products

JCC agreed to supply the Group with spare parts and processing parts, with spare parts including but not limited to machinery components, such as mining spare parts, high manganese cast steel, iron castings, cast steel, cold welding components, sand pumps, switch boxes and other spare parts, and processing parts (non-standard items) including but not limited to rollers and liners. The prices for spare parts shall be calculated based on the local market prices for such products at the time, whereas the prices for processing parts shall generally be calculated based on the market prices. In determining the price for spare parts, the Company will obtain the local market prices through market research, mainly by making reference to prices of steel, copper or other metals as quoted on Changjiang Non-Ferrous Metal Spot* (長江有色金屬現貨) (http://www.ccmn.cn/) and Shanghai Futures Exchange (http://www.shfe.com.cn/) for estimation of prices of metallic spare parts. The Company will also make reference to quotations for non-metallic spare parts and processing parts offered by at least two suppliers who are Independent Third Parties. If there are no such market prices, the prices to be charged shall be determined based on a price no higher than the prices charged by JCC Group on its members, or based on the costs of the spare parts and processing parts plus applicable taxes payable to the PRC government (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

The Group shall, in principle, pay 80% of the total amount for the purchase of the spare parts and processing parts to JCC Group within 7 days of receipt of such materials and the remaining 20% of the total amount for such materials to JCC Group upon acceptance after satisfactory inspection. The parties may agree on specific settlement method in the implementation contract.

Supply of gold and silver produced from the smelting of lead concentrates and zinc concentrates

JCC agreed to provide the Group with gold and silver produced from the smelting of lead concentrates and zinc concentrates at a price based on the prices as quoted on the Shanghai Gold Exchange (http://www.sge.com.cn) and Ebaiyin.com* (中國白銀網) (http://www.ebaiyin.com) as the benchmark price, and not higher than the market prices. In addition, JCC agreed to grant to the Group the right of first refusal to purchase the gold and silver from JCC Group.

Methods and procedures for determining the price and terms of procurement

With regard to the procurement of various materials, the Company mainly adopts a competitive negotiation procurement method, in which two or more selected suppliers (who are Independent Third Parties) will be invited to undergo negotiation with the procurement and commercial department of the Company and provide quotations in multiple rounds.

The suppliers management department of the Company is responsible for reviewing and ascertaining the reasonableness in selecting suppliers to be invited for the competitive negotiation according to the grading of the suppliers (as set out in a list of suppliers graded by the suppliers management department based on criteria such as the quality of goods, timeliness of delivery of goods, reasonableness of quotation, cooperativeness, after-sales services and contingency responsiveness) and the classification of the materials, while the procurement management department of the Company is responsible for reviewing and ascertaining the reasonableness in selecting the procurement mode and the procurement process. Proposals for the negotiation shall be reviewed by the procurement management department, and submitted for approval in accordance with the Company's procurement management measures.

All participating suppliers shall submit multiple rounds of quotations within the prescribed time. Following the receipt of quotations, depending on the procurement amount and technical issues involved in the procurement, the negotiation task group, comprising members of the procurement and commercial department and procurement management department, experts and/or the user units of the goods to be procured, shall compare and negotiate the terms of quotations with the suppliers and determine the supplier with whom to enter into contract by taking into account factors such as price quotations, quality of goods, ability of the suppliers in meeting technical specifications of the Company, delivery schedules and professional qualifications of the suppliers.

Provision of consolidated services by JCC Group

Engaged processing services

JCC agreed to provide material processing services to the Group, mainly including (i) crushing and processing refractory brick materials wastes used by the Group in production and returning the materials containing valuable elements such as magnesium, chromium and copper to the Group for external sales and (ii) providing dismantling and processing services of the coarse copper wastes to the Group.

The fees for these processing services payable by the Group shall be determined with reference to the situation of similar industry and market price standards in the local market. However, the demand for such processing services only comes from major mining companies, as such, the demand is limited in each province, leading to limited options of suppliers. Given the limited selection of service providers within the province, and JCC Group possesses the relevant capabilities and experience, the Group has been engaging JCC Group for the provision of the material processing services. As the market prices are not publicly available, the service fees will be calculated based on the costs plus relevant taxes and applicable profit margin. The applicable profit margin will be calculated with reference to the difference between the value of valuable materials obtained after processing (with reference to the monthly average closing price of copper as quoted on the Shanghai Futures Exchange) and the value of waste materials before processing (with reference to the prices charged by the Group on Independent Third Parties for the sales of comparable materials). The average applicable profit margin is estimated to be around 15%. The specific delivery and settlement method may be agreed by the parties in the implementation contract.

Machinery and electrical equipment repair services

JCC agreed to provide machinery and electrical equipment repair services to the Group. The Group shall pay the machinery and electrical equipment repair services fees to JCC Group monthly.

As the Group is a large-scale industrial enterprise, repair of machinery and electrical equipment needs to be completed within a short period of time to avoid any loss caused by disruption. Therefore, determination of price by way of public tender or requests for fee quotation may not be in the best interests of the Group as these methods are more time-consuming. The PRC government prescribed prices are the most recognisable public reference which generally reflect market prices. For those services with the PRC government prescribed prices, the fees will be determined with reference to the PRC government prescribed prices published under the Non-standard Equipment Pricing Measures for Non-ferrous Metal Industry* (《有色金屬工業非標準設備定價辦法》) of the Non-ferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Non-ferrous Metals Industry Association (中國有色金屬工業協會) in 2019, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable. The Company will compare the same with the prices charged by at least two Independent Third Parties providing similar services to the Group from time to time to determine the applicability.

If the PRC government prescribed prices are not applicable and in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing for similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there is no applicable industry or market prices, or in the case of services for which there is no such industry or market pricing, the price shall be determined based on a price not higher than that offered by JCC Group to its members or based on the costs plus applicable taxes (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

Construction and installation services

JCC agreed to provide construction and installation services to the Group, including but not limited to plants, office buildings and waste dumps construction services. As the PRC government prescribed prices are the most recognisable public reference and generally reflect market prices, for services subject to PRC government prescribed prices, the fees shall not exceed the PRC government prescribed prices published under the Jiangxi Province Standard Price of Construction Projects 2017* (2017版《江西省建設工程定額》) issued by the Department of Housing and Urban Rural Development of Jiangxi Province* (江西省住房和城鄉建設廳) which came into effect on 1 December 2017; or the Non-ferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Non-ferrous Metals Industry Association (中國有色金屬工業協會) which came into effect on 29 November 2019; or the Code of Bills of Quantities and Valuation for Construction Works* (《建築工程工程量清單計價規範》) (GB50500–2024) issued by the Ministry of Housing and Urban-Rural Development of the PRC* (中國住房和城鄉建設部) which came into effect on 1 September 2025, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable. The Company will compare the same with the prices charged by at least two Independent Third Parties providing similar services to the Group from time to time to determine the applicability.

If the PRC government prescribed prices are not applicable and in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing for similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there is no applicable industry or market prices, or in the case of services for which there is no such industry or market pricing, the price shall be determined based on a price not higher than that offered by JCC Group to its members or based on the costs plus applicable taxes (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

The Group shall pay service fees to JCC Group according to the progress of the construction projects.

Futures brokerage services

JCC agreed to provide the futures brokerage services to the Group. The Company agreed to pay JCC Group for such brokerage services after the completion of each futures transaction, determined at the current market rate (with reference to the rate charged by Jinrui Futures Brokerage Co., Ltd.* (金瑞期貨經紀有限公司), a subsidiary of JCC which is principally engaged in the provision of futures, options and other derivative products business, to its external independent clients) and the rate charged by JCC Group on its members, whichever is lower.

Public facilities services for living and production

JCC agreed to allow the Group to use the public facilities in the living area and production facilities. Regarding the public facilities in the living area, the Company and JCC agreed to share the costs in accordance with the actual expenditure and the proportion of the number of employees registered in JCC Group and the Group as at the end of the previous year. Regarding the production facilities for the exclusive use of the Group, the parties agreed that the Group will be fully responsible for the actual costs incurred by the Group in using the production facilities. For production facilities to be used by the Group and JCC Group jointly, the Company and JCC agreed to share the actual costs incurred on a pro rata basis with reference to their respective assets. The Company agreed to pay to JCC Group the service fees once every month and to settle the balance at the year end in accordance with the actual circumstances.

Daily welfare services

JCC agreed to provide daily welfare services to the employees of the Group, including but not limited to catering services at work and town gas supply services, and the Company shall reimburse JCC Group the actual amount incurred, provided that such amount shall be no more than 14% of the total annual salary of all employees of the Group. The Group shall prepay one-twelfth of the daily welfare service fees to JCC Group each month and settle the balance at the end of each year.

The daily welfare services provided by JCC Group to the Group are as follows:

(i) JCC Group will provide water and electricity supply services to the Group's employees at the purchase price while the operation costs will be deducted from the welfare fees payable by the Group to JCC Group; and

(ii) JCC Group will provide catering services to the Group's employees at a favourable price while the water and electricity expenses are included in the budget and will be deducted from the canteen meal fees payable by the Group to JCC Group.

Environmental hygiene and greenery services

JCC agreed to provide the Group with environmental hygiene and greenery services, such as hygiene services at the roads of the living area and family quarters, cleaning of septic tanks and maintenance of plants and trees in the living area. The Company agreed to reimburse JCC Group the actual costs of such environmental hygiene and greenery services as service fees on a pro rata headcount basis. The Group shall prepay one-twelfth of the service fees to JCC Group each month and settle the balance at the end of each year.

Labour services

JCC agreed to provide labour services, such as loading, unloading and transporting services of various materials for production and sales, to the Group. The Company will make public enquiry regarding the service fees with at least two independent third-party service providers in comparative markets, and determine the price based on the quotations obtained. Where there are no abovementioned quotations, the Company will make reference to the annual remuneration of employees hired for similar labour services plus relevant materials costs and taxes actually incurred to determine the fees payable for such services. The fees for these services shall be paid by the Group on a monthly basis.

Annual caps

The historical annual caps for the 2023 Consolidated Supply and Services Agreement I for the three financial years ending 31 December 2026 were RMB6,181.40 million, RMB6,271.27 million and RMB6,365.88 million respectively.

The amount of the relevant transactions under the 2023 Consolidated Supply and Services Agreement I for the two financial years ended 31 December 2025 and the six months ended 30 June 2026 were approximately RMB4,492.95 million, RMB5,843.94 million and RMB4,935.44 million respectively (equivalent to approximately HK$5,225.58 million, HK$6,796.86 million and HK$5,740.22 million respectively).

The Proposed Caps for Agreement 1 for each of the financial year ending 31 December 2027, 31 December 2028 and 31 December 2029 will not exceed RMB17,173.99 million, RMB17,378.49 million, and RMB17,508.51 million respectively (equivalent to approximately HK$19,974.40 million, HK$20,212.25 million and HK$20,363.47 million respectively) and have been determined with reference to (i) the historical transaction amounts under the 2023 Consolidated Supply and Services Agreement I; (ii) the rapid growth of the Group's silver, gold and other businesses, and the plan to continue the purchase of silver and gold from JCC Group in the coming three years for expansion of such business; and (iii) the significant rise in the prices of precious metals such as silver and gold over the past two years, which is expected to lead to a substantial increase in future transaction amounts.

The Proposed Caps for Agreement 1 have substantially increased as compared to the historical annual caps for the 2023 Consolidated Supply and Services Agreement I, mainly due to the growth of the Group's gold and silver businesses, coupled with the high-level surge in gold and silver prices. At the time when the 2023 Consolidated Supply and Services Agreement I was entered into between the parties, the annual transaction amount for 2026 in relation to the Group's purchase of gold doré and silver from JCC Group was anticipated to be not more than RMB4,970 million.

However, the price of silver increased from approximately RMB5,941 per kilogram in January 2024 to approximately RMB14,347 per kilogram in June 2026, reaching a peak of over RMB28,000 per kilogram in January 2026, while that of gold increased from approximately RMB480 per gram in January 2024 to approximately RMB879 per gram in June 2026, reaching a peak of over RMB1,100 per gram in January 2026. Accordingly, for the six months ended 30 June 2026, the transaction amount for the Group's purchase of gold and silver from JCC Group amounted to approximately RMB4,553 million in aggregate, of which the transaction amount of silver was approximately RMB4,056 million, whilst that of gold was RMB532 million. Given that the Group anticipates that its silver business will continue to grow; and for illustrative purposes only, if, for the year ending 31 December 2026, the Group were to purchase silver from JCC Group at a level equivalent to that of each of the two years ended 31 December 2025 (where the transaction amount of silver the Group purchased from JCC Group was approximately RMB3,139 million and RMB4,123 million, respectively), the transaction amount would amount to approximately RMB8,789 million. On the

other hand, based on the actual gold procurement levels for the first half of 2026, the annualised transaction amount for gold is estimated to be approximately RMB1,064 million, which, together with the estimated silver transaction amount of RMB8,789 million mentioned above, would be approximately RMB9,853 million in aggregate. In this case, at the time when the Agreement 1 was entered into between the parties, the estimated maximum purchase volumes of gold and silver (the "**estimated maximum gold and silver purchase volumes**") from JCC Group for each of the three years ending 31 December 2029 were estimated to be approximately RMB11,533 million, RMB11,359 million and RMB11,460 million, respectively. As such, the above-mentioned annualised transaction amount for gold and silver of RMB9,853 million would represent approximately 85.43%, 86.74% and 85.98% of each of the estimated maximum gold and silver purchase volumes, respectively, after taking into consideration the historical sales volumes and the current prices of gold and silver. In fact, given that the Group anticipates that its gold and silver businesses will continuously rise, actual sales volumes and transaction amounts in future years are expected to exceed the levels indicated in the above estimation, reasonable buffer has also been taken into account for the estimated maximum gold and silver purchase volumes for each of the three years ending 31 December 2029.

Meanwhile, the sales volume in the gold and silver export businesses of the Group for the six months ended 30 June 2026 had reached approximately RMB67,366 million. In addition, as mentioned in the interim report of the Company for the six months ended 30 June 2026, the Group's operating revenue from gold increased by approximately 26.2% from approximately RMB37,246 million for the six months ended 30 June 2025 to approximately RMB47,015 million for the six months ended 30 June 2026. Similarly, the Group's operating revenue from silver recorded substantial increase of approximately 146.5% from approximately RMB8,257.236 million for the six months ended 30 June 2025 to approximately RMB20,350 million for the six months ended 30 June 2026. Such growth was mainly attributable to the growth in the gold and silver businesses and the sharp increase in gold and silver prices. With such significant increase evidencing the market opportunities which the Group can capture and the contribution of the revenue growth of the Group, the Board considered that the historical annual caps for the 2023 Consolidated Supply and Services Agreement I would not be able to meet the needs of the Group for its rapid development. In order to meet its business development needs, the Group will have to increase the purchase of gold and silver from JCC Group, so as to ensure stable supply of gold and silver.

The increase in the Proposed Caps under the Agreement 1 is attributable not only to the expected increase in the Group's purchase of gold and silver from JCC Group as particularised above, but also the expected increase in its purchase of various materials and consolidated services from JCC Group. First, as one of the largest domestic copper cathode manufacturers, the Company produced 2.2919 million tonnes and 2.3804 million tonnes of copper cathode in 2024 and 2025, respectively. For the six months ended 30 June 2026, the Group produced 1.2604 million tonnes of copper cathode. It is expected that the full-year copper cathode output for 2026 would reach approximately 2.40 million tonnes. In recent years, global copper concentrate supply has been tight amid challenging market conditions, where smelting treatment and refining charges (TC/RC) have remained to be of deeply negative value, and copper concentrate supply is expected to stay relatively tight for a substantial period in the future. Accordingly, the Group will further expand its procurement channels for smelting raw materials, such as copper concentrates, blister copper, anode copper and other copper-containing materials. By purchasing raw materials from JCC Group, the Group can fully take advantage of the existing market resources of, and establish purchase networks of raw materials of copper at a low cost with, and obtain stable supply channels of raw materials from, JCC Group. Second, the Group is expected to purchase more copper-containing materials from JCC Group for production. The price of copper rose from approximately RMB69,220 per tonne in January 2024 to approximately RMB103,160 per tonne in June 2026, representing an increase of approximately 49.03%. Third, in 2026, Jiangxi JCC Tongxin Environmental Technology Company Limited* (江西江銅同鑫環保科技有限公司) ("**Tongxin Environmental Protection**"), a subsidiary of the Company, has commenced operations in the comprehensive recycling and utilisation of resources. Tongxin Environmental Protection primarily purchases materials containing copper, gold, silver and lead, as well as hazardous waste generated during the lead and zinc smelting processes, from other copper smelters within the Group and two lead and zinc smelters of JCC Group, to produce crude copper, crude lead and other rare, precious and minor metals. In particular, it is estimated that approximately 24,000-25,000 tonnes of such materials will be purchased from JCC Group for each of the three years ending 31 December 2029. Fourth, there is a buffer of an increment of 5% of the anticipated transaction amounts for certain items of materials and services to cater for the combined effect of the possible increases in the price for each material and expected purchase volume.

The Proposed Caps for Agreement 1 was therefore determined by taking into account the prices of copper, gold and silver, the historical transaction amounts between the Group and JCC Group, and the anticipated business growth of the Group.

As one of the Percentage Ratios in respect of the highest amount of the Proposed Caps for Agreement 1 exceeds 5%, Agreement 1 and its Proposed Caps are subject to the reporting, announcement, the annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Reasons for and benefits of the entering into of Agreement 1

The principal business of the Group covers copper and gold mining and dressing, smelting and processing, extraction and processing of scattered metals, sulphuric chemistry as well as finance and trading fields. The Group has established a complete industrial chain integrating exploration, mining, mineral dressing, smelting and processing in the copper and related non-ferrous metals sectors, and is an important production base for copper, gold, silver and sulfide chemicals in China. Its products include more than 50 varieties of products, such as copper cathode, gold, silver, sulphuric acid, copper rod, copper tube, copper foil, selenium, tellurium, rhenium and bismuth, etc. The Company has five 100% owned mines under production, namely, Dexing Copper Mine (including copper factory mining area and Fujiawu mining area), Yongping Copper Mine, Chengmenshan Copper Mine (including Jinjiwo Silver-Copper Mine), Wushan Copper Mine, and JCC Yinshan Mining Company Limited, and a number of relevant production facilities, including five smelters under production and ten modern copper products processing plants. The Company also holds 36.50% of Shandong Humon Smelting Co., Ltd., which mainly engages in the exploration, mining, dressing, smelting and chemical production of gold and is a national key gold smelting enterprise.

With the expansion of production and operation scale of the Group, demand for raw materials increased accordingly. By taking advantage of the existing market resources of JCC Group, the Group can establish networks of sales and purchases of copper raw materials at a low cost, and obtain stable supply channels of raw materials. The Group will benefit from several supportive consolidated services provided by JCC Group to the Group for ordinary operation, including repair services and construction services, which will enhance the Group's operation and minimise the costs of arranging manpower to provide repair services and construction services by the Group.

The Directors have also confirmed that the prices charged by JCC Group for the provision of various materials and consolidated services to the Group pursuant to Agreement 1 will not be higher than those charged by Independent Third Parties and that the terms of Agreement 1 have been determined after arm's length negotiations between JCC and the Company and the terms and conditions will be no less favourable than the terms and conditions the Group can otherwise obtain in the market, if applicable. The Directors (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular) are of the view that the transactions contemplated under Agreement 1 are entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and that the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

III. AGREEMENT 2

The Company entered into Agreement 2 on 30 September 2026 with JCC in relation to, among others, the supply of various materials and provision of consolidated services by the Group to JCC Group.

The principal terms of Agreement 2 are summarised as follows:

Date

30 September 2026

Parties

1. the Company; and

2. JCC.

Particulars of Agreement 2

Pursuant to Agreement 2, the Company agreed to supply various materials and provide consolidated services to JCC Group for a term of three years commencing from 1 January 2027 up to 31 December 2029.

Save as otherwise provided, in the event that JCC Group no longer requires any one type of supply of materials or provision of consolidated services by the Group under Agreement 2, JCC shall give three months' notice in writing to the Company prior to terminating such supply of materials or provision of consolidated services.

Supply of various materials by the Group

Pursuant to Agreement 2, the Group will provide to JCC Group certain products, raw materials, auxiliary materials, spare products, spare parts, processing parts and waste materials required for the production of JCC Group. These materials will mainly include the following:

a. copper cathode and copper rod and wire;

b. lead materials (lead concentrates, lead ingot and other materials containing lead);

c. zinc materials (zinc concentrates, zinc ingot and other materials containing zinc);

d. sulphuric acid and steel balls;

e. waste materials (including but not limited to waste materials and materials containing valuable elements such as slag and white smoke and dust generated from the smelting and production process); and

f. auxiliary materials (including but not limited to non-ferrous metal materials, chemical materials, diesel, steel, cement, wires and cables).

Consolidated services provided by the Group

Pursuant to Agreement 2, the following services will be provided by the Group to JCC Group:

a. construction and installation services;

b. transportation facilities repair services;

c. machinery and electrical equipment repair services;

d. water supply services;

e. electricity transmission services;

f. natural gas transmission services;

g. environmental hygiene and greenery services;

h. supplied materials processing services;

i. agency services for sales of products and sourcing of raw materials;

j. office building lease services; and

k. technology research and development services.

Pursuant to Agreement 2, as far as the Group is concerned, if applicable, the terms relating to the supply of products, raw materials, auxiliary materials, spare products, spare parts, processing parts and waste materials and the provision of consolidated services to JCC Group will be no less favourable than the terms offered by the Group to Independent Third Parties for similar materials and services (as the case may be).

According to the terms and conditions of Agreement 2, the obligations and liabilities of the Company and JCC shall be performed by members of the Group and JCC Group respectively. The parties may enter into corresponding implementation contracts on the basis of Agreement 2 for the actual supply and provision of services under specific items to agree on matters including, but not limited to, specific payment arrangements.

Supply of various materials by the Group

Supply of copper cathode and copper rod and wire, lead and zinc materials, sulphuric acid and steel balls

The Company agreed to supply JCC Group with copper cathode and copper rod and wire, lead and zinc materials, sulphuric acid and steel balls at prices as calculated on the following bases:

1. for copper cathode, the prices will be calculated as: Q + R – S

   where:

   Q = average settlement price of copper as quoted on the Shanghai Futures Exchange for the month in which the orders were made;

   R = premium per tonne above the standard rate for copper cathode, being the market rate of premium for grade A copper cathode as registered with the Shanghai Futures Exchange, of which the copper cathode produced by the Group has been categorised; and

   S = 50% of the transportation costs for the delivery of copper cathode from the Group's production plant to the warehouse of the Shanghai Futures Exchange (where applicable).

   For avoidance of risks, where the delivery location for copper cathode is the delivery warehouse designated by the Shanghai Futures Exchange, according to the normal commercial terms and the principle of fairness, the purchaser and the vendor will each bear the transportation costs, i.e. selling price of copper cathode = copper base price + premium – 50% transportation fees. Where such delivery location is other delivery warehouses designated by the buyer or seller, or another warehouse agreed upon by both parties that is not designated by the Shanghai Futures Exchange, there will be no transportation costs for delivery of copper cathode to warehouse designated by the Shanghai Futures Exchange, i.e. selling price of copper cathode = copper base price + premium – 0. Currently, the delivery locations for the Group's sales of copper cathode to JCC Group and Independent Third Parties usually have been stipulated in the specific selling contracts, such delivery locations are rarely the warehouse designated by the Shanghai Futures Exchange. However, when entering into Agreement 2 with JCC, in order to ensure the price calculation method applies to all circumstances, the Company adopted the formula "Q + R – S". Therefore, the pricing basis is on normal commercial terms.

2. for copper rod and wire, the prices will be calculated as: T + U

   where:

   T = average settlement price of copper as quoted on the Shanghai Futures Exchange for the month in which the orders were made; and

   U = processing fee determined with reference to the processing fees payable by Independent Third Parties to the Group.

3. for lead and zinc materials, sulphuric acid and other products, the prices will be determined based on the prices charged by the Group on Independent Third Parties. In particular, the prices for lead and zinc materials charged by the Group on Independent Third Parties and JCC Group are both determined with reference to the publicly available metal prices on the Shanghai Metals Market* (上海有色網) (http://www.smm.cn/).

4. for steel balls, the prices will be determined based on the prices charged by the Group on Independent Third Parties. If the prices charged on Independent Third Parties are unavailable, such prices shall not be lower than the prices offered by the Group to its members. In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

Supply of waste materials and auxiliary materials

The Company agreed to supply JCC Group with waste materials generated from the Group's smelting and production process and auxiliary materials at prices as calculated on the following bases:

1. for waste materials such as scrap materials and slag generated from the smelting and production process, the prices will be determined based on market prices charged by the Group on Independent Third Parties. If such prices are unavailable, the prices will be calculated based on the costs plus applicable taxes and profit margin for the same or similar industry as published by the PRC government. Having considered the gross profit margin level for the Group's production and operations, the range of the relevant profit margin is between 10% and 20%.

2. for auxiliary materials such as non-ferrous metal materials, chemical materials, diesel, steel, cement, wires and cables, the prices will be calculated with reference to the prices for the materials in the local market to which such products are being delivered. If there are no such market prices, the prices will not be lower than the prices charged by the Group on its members or the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

In relation to the abovementioned supply of materials by the Group, JCC Group shall pay 80% of the total amount for the purchase of the materials to the Group within 7 days of receipt of such materials, and the remaining 20% of the total amount for such materials to the Group upon acceptance after satisfactory inspection.

Procedures for determining and approving selling prices of products

The Company has complied with its internal "Administrative Measures for Sales of Products" which provides for the procedures applicable to the Group for determining and approving selling prices of products.

The Company's sales personnel regularly collect and organise market information through routine contact and visits with customers, and submit the same to their respective sales supervisors in regular meetings. The marketing department of the Company will conduct market analysis and study, and propose marketing plans with reference to the compiled market information.

In accordance with the marketing strategies, pricing principles and pricing methods determined in the marketing plans, together with the specific conditions of sales markets in various regions and of various customers, the sales department of the Company shall formulate specific pricing plans for sales of products and report the same to the corresponding supervisors.

The person responsible for the marketing function of the Company may organise relevant personnel to conduct discussions and presentations on the pricing plans, examine and approve the pricing plans, and delegate the execution of the pricing plans to the sales and settlement department of the Company. Important pricing plans will be submitted to the Company's deputy general manager in charge of marketing for approval.

Where any change in market prices renders the adjustment of selling prices of products necessary, the sales department shall promptly re-formulate pricing plans for sales of products in accordance with the market condition and marketing strategies and report the same to the corresponding responsible person for approval.

Consolidated services provided by the Group

Construction and installation services

The Company agreed to provide construction and installation services to JCC Group, including but not limited to plants, office buildings and waste dumps construction services. As the PRC government prescribed prices are the most recognised public information available for reference which are generally reflective of market price, for those services with the PRC government prescribed prices, the fees will be determined with reference to the PRC government prescribed prices published under the Standard Price of Consumption of General Installation Projects (TY02–31–2021)* (《通用安裝工程消耗量定額》(TY02–31–2021)) issued by the Ministry of Housing and Urban-Rural Development of the PRC* (中國住房和城鄉建設部) which came into effect on 1 September 2021; the Jiangxi Province Standard Price of Construction Projects 2017* (2017版《江西省建設工程定額》) issued by the Department of Housing and Urban Rural Development of Jiangxi Province* (江西省住房和城鄉建設廳) which came into effect on 1 December 2017; the Non-ferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Non-ferrous Metals Industry Association (中國有色金屬工業協會) in 2019; or the Code of Bills of Quantities and Valuation for Construction Works* (《建築工程工程量清單計價規範》) (GB50500-2024) issued by the Ministry of Housing and Urban-Rural Development of the PRC* (中國住房和城鄉建設部) which came into effect on 1 September 2025, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable.

Where the PRC government prescribed prices are not applicable and in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing of similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there is no applicable industry or market prices, or in the case of services for which there is no such industry or market pricing, the prices charged by the Group on JCC Group shall not be lower than the prices charged by the Group on its members or determined based on the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

JCC Group shall pay service fees to the Group according to the progress of the projects.

Transportation facilities repair services

The Company agreed to provide various kinds of repair services for transportation facilities to JCC Group. The fees for these services shall be paid by JCC Group on a monthly basis.

The Company will ascertain the industry pricing of similar services at the local market using information obtainable within the industry and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there is no applicable industry or market prices, or in the case of services for which there is no such industry or market pricing, the Group will charge JCC Group prices not lower than the prices charged by the Group on its members or determined based on the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

Machinery and electrical equipment repair services

The Company agreed to provide machinery and electrical equipment repair services to JCC Group, mainly including repair, care and maintenance of machinery and electrical equipment, processing of machinery and electrical equipment and spare parts, and installation and debugging of machinery and electrical equipment. The fees for these services shall be paid by JCC Group on a monthly basis.

As JCC Group is a large-scale industrial enterprise, repair of machinery and electrical equipment needs to be completed within a short period of time in order to avoid any loss caused by disruption. Therefore, determination of price by way of public tender or requests for fee quotation may not be in the best interests of JCC Group as these methods are more time-consuming. The PRC government prescribed prices are the most recognisable public reference which generally reflect market prices. For those services with the PRC government prescribed prices, the fees will be determined with reference to the PRC government prescribed prices published under the Non-standard Equipment Pricing Measures for Non-ferrous Metal Industry* (《有色金屬工業非標準設備定價辦法》) of the Non-ferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Nonferrous Metals Industry Association (中國有色金屬工業協會) in 2019, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable.

Where the PRC government prescribed prices are not applicable and in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing of similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there is no applicable industry or market prices, or in the case of services for which there is no such industry or market pricing, the Group will charge JCC Group prices not lower than the prices charged by the Group on its members or determined based on the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than that offered by the Group to Independent Third Parties, where applicable.

Water supply services

The Company agreed to supply JCC Group with water for industrial use at a fee calculated based on the actual costs, including consumption of materials, salary, surcharges, depreciation, maintenance fees and amortisation of water pipes, plus applicable taxes, payable by JCC Group on a monthly basis.

Electricity transmission services

The Company agreed to provide power services, including the electricity transmission services, to JCC Group at a fee calculated based on the actual costs plus applicable taxes. The actual costs include the costs of acquisition and transmission of electricity such as consumption of materials, salary, surcharges, depreciation, maintenance fees and amortisation of wires, and are payable by JCC Group on a monthly basis.

Natural gas transmission services

The Company agreed to provide natural gas transmission services to JCC Group at a fee calculated based on the actual costs plus applicable taxes. The actual costs include the costs of acquisition and transmission of natural gas such as consumption of materials, salary, surcharges, depreciation, maintenance fees and amortisation of pipelines, and are payable by JCC Group on a monthly basis.

Environmental hygiene and greenery services

The Company agreed to provide environmental and hygiene services, including sweeping, cleaning and maintenance and construction of greenery areas, to JCC Group in its factory areas at a fee determined based on the actual costs (including the salary payable to cleaning workers according to the labour market rate and the relevant materials fees) and other unforeseeable expenses (including the increase in labour cost resulting from rises in price index, etc.), which are payable by JCC Group on a monthly basis.

Supplied materials processing services

The Company agreed to provide supplied materials processing services to JCC Group, under which the Group will process the copper raw materials provided by JCC Group into copper rod and wire products in accordance with the requests of JCC Group, and determine a fee by referring to the prices charged by the Group on Independent Third Parties, payable by JCC to the Group upon completion of the delivery of products.

Agency services for sales of products and sourcing of raw materials

The Company agreed to provide agency services for sales of products and sourcing of raw materials to JCC Group, including but not limited to sales of sulphuric acid, gold, silver and scattered metals and sourcing of raw materials such as lead and zinc.

JCC Group should pay to the Group such agency service fees regularly pursuant to Agreement 2. In determining the service fees or agency rates for these services, the Company will make reference to local market prices or agency fee rates for similar services provided to Independent Third Parties. If there are no such market prices, the prices will be based on the actual costs incurred in providing such services plus appropriate profits plus applicable taxes. Appropriate profits will be calculated with reference to the actual profit margin applied in trading business of the Group with Independent Third Parties. The profit margin applied in trading business is comparable to that of agency services for sales of products and sourcing of raw materials as the nature, products, procedures and costs involved are substantially the same. The trading business of the Group similarly involves the sourcing of raw materials and sale of products, save for the increased cash flow commitment and risks as the costs would be borne by the Group instead of JCC Group.

Office building lease services

The Company agreed to provide office lease services to JCC Group in its office premises including its headquarter and office premises of its subsidiaries and subsidiaries incorporated from time to time located in Beijing, Shanghai, Shenzhen and Chengdu, together with other office facilities and common facilities, and agreed to allow JCC Group to use the public roads, greenery areas, stairs, elevators, car parks, etc. conjoining to the offices it leases. During the subsistence of Agreement 2, JCC Group shall not sub-let such office premises.

In determining the rent and miscellaneous fees, the Company will ascertain the rent of similar type of office premises located in close proximity through market research. The price and terms of the office premises leased by JCC Group from the Group will not be lower than the price and terms offered by the Group to its members and the price and terms offered in the market. The rent and miscellaneous fees shall be paid by JCC Group to the Group within 5 days after the end of each quarter and within 5 days after the end of each month, respectively.

Technology research and development services

The Company agreed to provide technology research and development services to JCC Group. Due to the exclusivity of the technology involved in the research and development services provided by the Group, there are no sufficient comparable transactions in the market available for reference. The fees for these services will be determined with reference to agreements entered into between the Group and Independent Third Parties from time to time for similar technology research and development services.

Annual caps

The historical annual caps for the 2023 Consolidated Supply and Services Agreement II for the three financial years ending 31 December 2026 were RMB4,270.01 million, RMB4,605.94 million and RMB4,571.71 million respectively.

The amount of the relevant transactions under the 2023 Consolidated Supply and Services Agreement II for the two financial years ended 31 December 2025 and the six months ended 30 June 2026 were approximately RMB3,521.96 million, RMB2,548.24 million and RMB1,591.15 million respectively (equivalent to approximately HK$4,096.25 million, HK$2,963.76 million and HK$1,850.60 million respectively).

The Proposed Caps for Agreement 2 for each of the financial year ending 31 December 2027, 31 December 2028 and 31 December 2029 will not exceed RMB5,570.69 million, RMB6,698.59 million, and RMB6,934.09 million respectively (equivalent to approximately HK$6,479.05 million, HK$7,790.87 million and HK$8,064.77 million respectively) and have been determined with reference to (i) the historical transaction amounts under the 2023 Consolidated Supply and Services Agreement II; (ii) the expected expansion of the Group's copper cathode business with JCC Group and the expected increase in JCC Group's demand for the Group's copper cathode; and (iii) the overall upward trend in copper prices in recent years, and the expectation that future transaction amounts will increase as the relevant business expands further.

The Proposed Caps for Agreement 2 generally represent (i) an aggregate of the highest transaction amount of each item of materials and services under the 2023 Consolidated Supply and Services Agreement II during the two years ended 31 December 2025 and the six months ended 30 June 2026 (on an annualised basis); and (ii) a buffer of an increment of 5% of the anticipated transaction amount for certain items of materials and services to cater for the combined effect of the possible increases in the price for each material and expected sales volume. In addition, the Group's supply of copper cathode, copper rod and wire and lead-zinc materials to JCC Group is expected to increase, mainly because (i) a copper processing subsidiary of JCC Group purchased copper cathode

in the transaction amount of approximately RMB28.83 million during the year ended 31 December 2025 from the Group for trial production, and such subsidiary has officially commenced operation in 2026. For the six months ended 30 June 2026, the transaction amount of copper cathode the Group supplied to such subsidiary was approximately RMB111 million. In view that such subsidiary's production capacity has been gradually enhancing, and that copper prices rose from approximately RMB69,220 per tonne in January 2024 to approximately RMB103,160 per tonne in June 2026, representing an increase of approximately 49.03% as mentioned above, the transaction amount is anticipated to significantly increase to approximately RMB720 million, RMB1,470 million and RMB1,470 million for each of the three years ending 31 December 2029, respectively; (ii) several wire and cable manufacturing subsidiaries of JCC Group located in Guangdong Province are continuing to expand their businesses and production capacities, and are expected to increase their procurement of raw materials such as copper rods from the Company's copper processing facilities in Guangdong Province; and (iii) there are two lead-zinc smelters under JCC Group whose businesses and production capacities are continuously expanding, resulting in higher demand for lead-zinc materials.

As one of the largest comprehensive copper production enterprises and one of the largest copper processing manufacturers in the PRC, the quality of the copper cathode produced by the Group is stable and reliable, with "JCC" (江銅牌) copper cathode having a good reputation and being well-known in the market. Given its increased production capacity, JCC Group inevitably needs to purchase raw materials such as copper cathode and copper rod and wire in the course of production. In view that the production units of JCC Group are mainly located in Jiangxi Province and that the largest smelter of the Group is also located in Jiangxi Province, JCC Group could reduce transportation costs by purchasing from the Group. Therefore, as compared with other suppliers in the market, it is expected that JCC Group would be more inclined to purchase copper cathode and copper rod and wire from the Group. On the other hand, given that JCC Group is a designated lead and zinc production site of Jiangxi local government, its production capacity of lead and zinc mining and smelting business is expected to expand, and the demand for lead, zinc and other elements is expected to increase accordingly. As mentioned above, Tongxin Environmental Protection has commenced a new comprehensive resource recycling business, where materials containing lead, zinc and other elements generated in the production process may serve as raw materials for their production. As such, the Group's supply of such materials to JCC Group can improve the utilisation rate of waste materials generated from the Group's production processes, boost the Group's revenue and reduce waste disposal costs of the Group. In this regard, the sales of lead materials to JCC Group, which is in line with the national environmental policy, is expected to increase for the three years ending 31 December 2029.

Accordingly, when determining the annual cap for Agreement 2, the Group has taken into account the impact of fluctuations in copper prices on the sale of copper materials, such as copper cathode and copper rods, to JCC Group, the historical transaction amounts between the Group and JCC Group, as well as the increased production capacity and business needs of JCC Group.

As one of the Percentage Ratios in respect of the highest amount of the Proposed Caps for Agreement 2 exceeds 5%, Agreement 2 and its Proposed Caps are subject to the reporting, announcement, the annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Reasons for and benefits of the entering into of Agreement 2

As set out in the section headed "Reasons for and benefits of the entering into of Agreement 1" in the "Letter from the Board" of this circular, the principal business of the Group covers copper and gold mining and dressing, smelting and processing, extraction and processing of scattered metals, sulphuric chemistry as well as finance and trading fields. The main products of the Group include more than 50 varieties of products, such as copper cathode, gold, silver, sulphuric acid, copper rod and wire, copper tube, copper foil, selenium, tellurium, rhenium and bismuth, etc. The supply of copper cathode and copper rod and wire is related to one of the principal businesses of the Group.

The Company produces significant volumes of products such as copper cathode and copper rod and wire, which require continuous external sales. As one of the Company's customers, JCC Group has a stable demand for products such as copper cathode and copper rod and wire. By leveraging JCC Group's strong market channel resources, the Company can secure stable support from downstream demand. To ensure the orderly conduct of day-to-day operations, the Company's sales of products to JCC Group, coupled with the provision of comprehensive supporting services, can effectively reduce expenditure on market expansion and customer retention, optimise the product sales structure, and ensure the continuous and stable operation of production and business activities.

The Directors have also confirmed that the prices charged by the Group for the provision of various materials and consolidated services to JCC Group pursuant to Agreement 2 will not be lower than those charged on Independent Third Parties and that the terms of Agreement 2 have been determined after arm's length negotiations between the parties thereto and the terms and conditions will be no less favourable to the Group as compared to the terms and conditions offered by the Group to Independent Third Parties, if applicable. The Directors (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular) are of the view that the transactions contemplated under Agreement 2 are entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and that the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Mutual services to be supplied by JCC Group and the Group under Agreement 1 and Agreement 2

Pursuant to Agreement 1 and Agreement 2, JCC and the Company agreed to provide construction and installation services, machinery and electrical equipment repair services, environmental hygiene and greenery services and office lease services to each other. Since the listing of the Company in 1997 when JCC segregated the business of the Company from JCC Group, JCC Group has been providing ancillary services relating to mine exploration and smelting to the Group in order to save costs and ensure the sustainability of the Group's operation. By leveraging on JCC Group's existing resources, the Group can minimise financial and time costs associated with establishing its own team, obtaining all kinds of qualifications and develop the necessary expertise thereby providing a full range of ancillary services relating to mine exploration and smelting for its operation across various regions. On the other hand, the Group has been providing construction and installation services as well as machinery and electrical equipment repair services to members of JCC Group, including, Jiangxi Copper Lead & Zinc Metal Co., Ltd.* (江西銅業鉛鋅金屬有限公司) and Jiangxi Jinde Lead Co., Ltd.* (江西金德鉛業股份有限公司) since 2008. In particular:

(i) JCC Group and the Group possess different construction qualifications (such as smelting ancillary construction and mine construction). The main qualifications of JCC Group include: corrosion protection of engineering equipment and pipelines, installation of anti-corrosion facilities, demolition of abandoned smelting facilities, etc. The main qualifications of the Group include: construction of mine slopes, laying of mine fences, excavation of mines, etc. The Group and JCC Group would provide relevant construction and installation services to each other depending on their respective operational needs and geographical locations. For example, JCC (Guixi) Anti-corrosion Engineering Co., Ltd.* (江西銅業集團(貴溪)防腐工程有限公司), a subsidiary of JCC, would provide engineering equipment and pipeline corrosion protection to Guixi Smelter* (貴溪冶煉廠), a subsidiary under the Group; while JCC Construction Company Limited* (江西銅業集團建設有限公司), a subsidiary under the Group, would provide relevant construction and exploration services to the mines of JCC Group;

(ii) in view of the expertise and knowledge possessed by the Group and JCC Group in machinery and electrical equipment in the mining industry, the Group and JCC Group would provide each other with relevant machinery and electrical equipment repair services depending on their respective needs and geographical locations. The Group and JCC Group own different mines and smelting facilities in different geographical locations, and their requirement for different machinery and electrical equipment repair services also vary. JCC Group provides relevant machinery and electrical equipment repair services for the Group's mining and smelting facilities in Guixi, Dexing, Yongping and Dongxiang in Jiangxi Province, while the Group provides relevant machinery and electrical equipment repair services for JCC Group's lead zinc smelting facilities in Jiujiang in Jiangxi Province; and

(iii) the environmental hygiene and greenery services are provided by members of JCC Group and the Group (as the case may be) depending on their geographical proximity to the community requiring such services. JCC Construction Company Limited* (江西銅業集團建設有限公司), a subsidiary of the Company, possesses relevant environmental hygiene and greenery capabilities, thereby provides such services to the community within close proximity of Dexing Copper Mine and Yinshan Lead Zinc Mine while members of JCC Group would provide such services to the communities located in other areas, including Yongping Copper Mine, Wushan Copper Mine and Guixi Smelter* (貴溪冶煉廠).

IV. THE LAND USE RIGHTS AND PROPERTIES LEASING AGREEMENT

The Company entered into the Land Use Rights and Properties Leasing Agreement on 30 September 2026 with JCC in relation to the leasing of the land use rights and properties.

The principal terms of the Land Use Rights and Properties Leasing Agreement are summarised as follows:

Date

30 September 2026

Parties

1. the Company; and

2. JCC.

Particulars of the Land Use Rights and Properties Leasing Agreement

Pursuant to the Land Use Rights and Properties Leasing Agreement, JCC agreed to lease the land use rights and properties covering a total area of approximately 50,419,966.97 square meters (including 50,403,196.80 square meters of land and 16,770.17 square meters of properties) to the Company for office use for a leasing term of three years commencing from 1 January 2027 up to 31 December 2029 (the "**Leasing Term**") at an annual rate of approximately RMB195.11 million (equivalent to approximately HK$226.92 million). The actual rate will be calculated in accordance with the actual area leased by the Group. Such rate was arrived after arm's length negotiations between the Company and JCC with reference to: (i) the annual rent of RMB196,222,947.44 for a term of three years commencing from 1 January 2024 up to 31 December 2026 with regard to the land, as

provided under the 2023 Land Use Rights Leasing Agreement; (ii) the annual rental of the relevant lands in the range between approximately RMB6.48 per square meter (for areas outside Nanchang region) and RMB28.78 per square meter (for the Nanchang region), as derived, by adoption of the income capitalisation method, from the benchmark land prices promulgated by local governments across Jiangxi Province, with the agreed annual rental of the lands under the Land Use Rights and Properties Leasing Agreement in the respective amounts of RMB3.84 outside the Nanchang region and RMB7.2 within the Nanchang region; and (iii) the recent fair transaction prices for certain comparable office buildings selected in the same location (i.e. within the same commercial district or area as the subject property, with comparable commuting conditions and supporting facilities) of the same property type (i.e. commercial office buildings, excluding industrial park workshops, staff accommodation, and retail outlets) surrounding the leased office building under the Land Use Rights and Properties Leasing Agreement at the monthly rental in the region of RMB25 per square meter to RMB32 per square meter, with an average of approximately RMB29 per square meter (i.e. being the monthly rental for the office building under the Land Use Rights and Properties Leasing Agreement). The rent shall be payable quarterly during the Leasing Term. The Group shall pay the rent payable for the current quarter to JCC within 15 days after the end of each quarter.

Upon expiry of the Leasing Term, the Company has a preferential right to renew the Land Use Rights and Properties Leasing Agreement.

Conditions precedent

The transactions contemplated under the Land Use Rights and Properties Leasing Agreement will be subject to the fulfillment of the following conditions precedent:

(i) the relevant authority of JCC approving the execution of the Land Use Rights and Properties Leasing Agreement;

(ii) the Board and/or shareholders' meeting of the Company approving the execution of the Land Use Rights and Properties Leasing Agreement in accordance with its articles of association and the relevant regulations of the SSE Listing Rules and the Listing Rules;

(iii) the relevant land administration authority approving or consenting to the leasing of the land use rights under the Land Use Rights Leasing and Properties Agreement or the relevant legal conditions for the leasing of the land use rights having been satisfied; and

(iv) the acceptance or filing procedures with competent authorities including real estate registration, housing and urban-rural development authorities having been completed or the statutory conditions for the leasing of properties having been satisfied.

Financial effects of the Land Use Rights and Properties Leasing Agreement

Under the Land Use Rights and Properties Leasing Agreement, the rent payable for each quarter (after deducting the value-added tax) is RMB46,449,779.57.

Pursuant to IFRS 16, the value of the right-of-use assets recognised by the Group under the Land Use Rights and Properties Leasing Agreement is expected to be RMB521,477,017.30 (including the total expected value of right-of-use assets recognised for land leases of RMB520,224,740.06 and the total expected value of right-of-use assets recognised for building leases of RMB1,252,277.24), which is calculated by discounting the total rent payable for the 12 quarters during the term thereof (after deducting the value-added tax) by an annual interest rate of 4.16%. As the interest rate implicit in the lease under the Land Use Rights and Properties Leasing Agreement cannot be determined, the Company adopted the incremental borrowing rate of 4.16% as the discount rate. Such incremental borrowing rate is (i) based on the five-year loan market quotation rate of 3.50% as announced by the People's Bank of China Interbank Funding Centre, and (ii) adjusted upwards according to the borrowing rates of the Group, representing the borrowing rate of the Group for a period similar to the Leasing Term under the Land Use Rights and Properties Leasing Agreement. All the Percentage Ratios in respect of the right-of-use assets of the Land Use Rights and Properties Leasing Agreement are less than 5%. Nevertheless, it is subject to Independent Shareholders' approval requirement under the SSE Listing Rules.

Reasons for and benefits of the entering into of the Land Use Rights and Properties Leasing Agreement

Due to historical factors, some of the office buildings and plants of the Group are built on the land owned by JCC Group. The Group adopting the approach of leasing land from JCC Group can help reduce investment of the Group. Furthermore, the Group leases properties from JCC Group, which allows it to adapt flexibly to changes in the scale of its operations, optimise its resource structure, enhance its asset operating efficiency, and focus on its core business.

The Directors have also confirmed that the terms of the Land Use Rights and Properties Leasing Agreement have been determined after arm's length negotiation between the parties thereto and the terms and conditions will be no less favourable than the terms and conditions the Group can otherwise obtain in the market, if applicable. The Directors (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular) are of the view that the transactions contemplated under the Land Use Rights and Properties Leasing Agreement are entered into in the ordinary and usual course of business of the Group and on normal commercial terms and that the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

V. INTERNAL CONTROL MEASURES

The Company has adopted the following internal control measures to monitor the pricing policy, mechanism and terms of the Continuing Connected Transactions, so as to ensure that the same are fair and reasonable and that the terms provided to or by the Group are no less favourable than those provided to or by Independent Third Parties (as the case may be), to monitor the annual caps, and to ensure that the Continuing Connected Transactions comply with the requirements of the Listing Rules:

1. the relevant personnel of the Procurement, Sales and Finance Departments of the Company will continuously track the procurement and sales records relating to the Continuing Connected Transactions, and will regularly monitor and review the underlying implementation agreements entered into or separately entered into under the Continuing Connected Transactions, so as to ensure that the terms of the Continuing Connected Transactions comply with the requirements of the Listing Rules.

2. the relevant personnel of the Procurement, Sales and Finance Departments of the Company will monitor the pricing of the relevant integrated materials supply and services on a monthly basis, so as to ensure that the prices of the integrated materials supply and services provided between the Group and JCC Group are on normal commercial terms or better, and that the prices are fair and reasonable and do not deviate from prevailing market prices.

3. as part of the internal control measures of the Company, the underlying implementation agreements entered into under or separately under the Continuing Connected Transactions are subject to the internal contract approval procedures of the Company, among which the approval of the relevant senior management of the Company is required. All sales and procurement records under the relevant implementation agreements, together with all relevant documents of the contract approval process, are properly kept and available for filing and inspection.

4. all Directors (including the independent non-executive Directors) will, seek independent professional advice from external professionals (including legal advisers and auditors) in respect of the relevant Continuing Connected Transactions, when appropriate.

5. the Company has formulated the Rules for Connected Transactions as part of its internal control measures. The finance and securities departments of the Company will review the transaction amounts under the Continuing Connected Transactions and conduct data analysis at least on a semi-annual basis to manage the Continuing Connected Transactions, and will monitor and assess whether the transactions conducted are expected to exceed the annual caps. If necessary, the matter, together with the proposed revised annual caps and other relevant information, will be submitted to the Board for consideration by the Directors (including the independent non-executive Directors) in order to comply with the Listing Rules.

6. the Independent Audit Committee (the Audit Committee) of the Company will convene a meeting annually to discuss and assess the performance of the Continuing Connected Transactions of the Group;

7. the external auditor of the Company will conduct a year-end audit for each financial year, and issue its conclusion and letter to the Board in respect of the annual caps of the Continuing Connected Transactions of the Group for the preceding financial year pursuant to the Listing Rules; and

8. in accordance with the Listing Rules, the independent non-executive Directors will conduct an annual review of the Group's Continuing Connected Transactions for the preceding financial year and confirm the transaction amounts and terms of such transactions in each annual report of the Group.

VI. CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTION

As at the Latest Practicable Date, JCC is a substantial shareholder holding approximately 45.72% of the total issued share capital of the Company and therefore JCC is a connected person of the Company under the Listing Rules.

The entering into of the transactions contemplated under the Agreement 1 and Agreement 2 shall constitute Continuing Connected Transactions of the Company and will therefore be subject to the requirements under Chapter 14A of the Listing Rules. Pursuant to IFRS 16, the Group will recognise the right-of-use assets in relation to the Land Use Rights and Properties Leasing Agreement, the transactions contemplated thereunder shall therefore constitute acquisition of assets and a connected transaction of the Company, and will also be subject to the requirements under Chapter 14A of the Listing Rules. The Directors (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular) are of the view that the transactions contemplated under the Agreements are entered into in the usual course of business of the Group and on normal commercial terms, and that the terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

On 30 September 2026, a Board meeting was convened to approve, among others, the Agreements, the transactions contemplated thereunder and the Proposed Caps (the "**CT Board Resolutions**").

Save for executive Directors, Mr. Zhou Shaobing and Mr. Yu Minxin, as well as employee Director Mr. Miao Shenggang, who are connected directors of JCC and have abstained from voting on the CT Board Resolutions, none of the Directors has a material interest in the Agreements or is required to abstain from voting on the CT Board Resolutions.

As the A Shares are listed on the Shanghai Stock Exchange, the Company is also required to comply with the SSE Listing Rules. Pursuant to the SSE Listing Rules, the transactions contemplated under the Agreements are subject to the approval of Independent Shareholders.

As one of the Percentage Ratios in respect of the highest amount of the Proposed Caps for Agreement 1, Agreement 2 and the Continuing Connected Transactions contemplated thereunder exceeds 5% respectively, it is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. All the Percentage Ratios in respect of the value of the right-of-use assets under the Land Use Rights and Properties Leasing Agreement are less than 5%. Nevertheless, the transactions contemplated under Land Use Rights and Properties Leasing Agreement are also subject to Independent Shareholders' approval pursuant to the SSE Listing Rules. If during the period ending 31 December 2029, the respective aggregate annual value of the Continuing Connected Transactions exceeds the Proposed Caps or there is any material change to the Agreements, the Company will take necessary steps to ensure compliance with all applicable requirements under Chapter 14A of the Listing Rules.

The transactions contemplated under the Agreements will be subject to the approvals from Independent Shareholders at the EGM, at which resolutions will be proposed to approve, inter alia, the Agreements and the transactions contemplated thereunder and the Proposed Caps for Agreement 1 and Agreement 2 (as set out below), and at which JCC and its associates will abstain from voting.

As disclosed above, the Company proposed to set the Proposed Caps for the transactions contemplated under Agreement 1 and Agreement 2 as follows:

Agreement	**Proposed Caps for the year ending 31 December**		
	2027	**2028**	**2029**
	RMB'0,000	*RMB'0,000*	*RMB'0,000*
Agreement 1	1,717,399	1,737,849	1,750,851
Agreement 2	557,069	669,859	693,409

The amount of the transactions to be received or payable by the relevant parties under each of the Agreements will not be netted off.

VII. GENERAL INFORMATION

The Company is a sino-foreign joint venture joint stock limited company incorporated in the PRC on 24 January 1997. The business scope of the Company includes: mining, milling, smelting, further processing and related technical services of non-ferrous metals and rare metals; smelting, mangle processing and further processing of non-ferrous metal mines, rare metals, non-metal mines, non-ferrous metals and related by-products; sulfur chemical products and its extended products and fine chemical products related to the abovementioned operations; trading of non-ferrous metals and trading of precious metals; beneficiation pharmacy, rubber products; manufacturing and operation of hazardous chemicals; production and processing of toxic chemicals, corrosives, compressed gases and liquefied gases; sale and after-sale services for self-produced products together with related consultation services and businesses; geotechnical projects, surveying, tunneling projects; repair and decoration for electrical and mechanical and civil engineering works; vehicles and engineering machinery repair, mobile crane repair; production of rubber hoses assemblies-wire reinforced hydraulic type; casting of wear-resistant alloy products; manufacturing, further processing, erection, repair and sale of mining and smelting specialised equipment; painting, insulation and anticorrosion works; cleansing of industrial equipment; freight transportation agent, warehousing (except dangerous goods); road passengers transportation services; road freight transportation (except dangerous goods); non-residential real estate leasing; information technology consultation services, technical services, technical development, technical consultation, technical exchange, technical transfer and technical promotion; engaging in overseas futures hedging business; provision of import and export agency services (the import and export of the above-mentioned commodities do not involve commodities which are subject to and regulated under specific regulations such as state trading, import quota license, export quota bidding and export quota license).

JCC is a state-owned enterprise and the holding company of the Company. The de facto controller of JCC is the State-owned Assets Supervision and Administration Commission of Jiangxi Province. The principal business of JCC covers: licensed items: construction engineering works; mining of mineral resources in non-coal mines (for items subject to approval in accordance with the law, operations may only be carried out within the validity period of the licence after approval by the relevant authorities, and the specific items and licence period shall be subject to the approval documents or licences issued by the relevant authorities); general items: mineral processing; rolling and processing of nonferrous metals; smelting of common non-ferrous metals; contracting for overseas engineering projects; engineering management services; import and export of goods; recovery of productive scrap metals; recovery of renewable resources (excluding productive scrap metals); import and export of technology; property management; housing leasing; leasing of non-residential real estate; construction of landscaping projects; installation services for public environmental sanitation facilities; technical services, technical development, technical consulting, technical exchange, technical transfer and technical promotion; sale of metal ores (apart from items subject to approval in accordance with the law, the Company may independently carry out business activities in accordance with its business licence).

VIII. THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising all the independent non-executive Directors, has been formed in accordance with the Listing Rules to advise the Independent Shareholders on the terms and conditions of the Agreements and the Proposed Caps. A letter from the Independent Board Committee containing its advice and recommendation to the Independent Shareholders in respect of the Agreements and the transactions contemplated thereunder (including the Proposed Caps) has been set out on page 40 of this circular.

Lego has been appointed as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the same. The letter from Lego containing its advice to the Independent Board Committee and the Independent Shareholders is set out in the section headed "Letter from Lego" of this circular.

IX. EGM

A notice convening the EGM to be held at the Conference Room of the Company at JCC International Plaza, 7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi, the PRC at 2:30 p.m. on Wednesday, 2 December 2026 (or any adjournment thereof) is set out on pages 85 to 87 of this circular. At the EGM, ordinary resolutions will be proposed to approve, among others, the Agreements and the transactions contemplated thereunder and the Proposed Caps.

Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

In accordance with Rule 13.39(4) of the Listing Rules, all the resolutions proposed at the EGM will be voted on by way of poll except where the chairman of the EGM, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions will be put to vote by way of poll at the EGM to be convened pursuant to the provisions of the articles of association. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the Latest Practicable Date, JCC is interested in 1,583,162,110 Shares comprising 1,205,479,110 A Shares and 377,683,000 H Shares, representing approximately 45.72% of the total issued share capital of the Company and is therefore a connected person of the Company. In view of the interest of JCC and its associates in the transactions contemplated under the Agreements, JCC and its associates will abstain from voting at the EGM on the ordinary resolutions in respect of the Agreements and the Proposed Caps.

As at the Latest Practicable Date, the 10,441,768 A Shares held by the Company in treasury in its repurchase dedicated securities account did not carry voting rights. The Company will not exercise voting rights in respect of such treasury shares at the EGM.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save as disclosed above, no Shareholders will be required to abstain from voting on the resolutions to be approved at the EGM.

In order to determine the identity of the Shareholders entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 27 November 2026 to Wednesday, 2 December 2026 (both days inclusive), during such period no share transfer will be registered. All transfer documents accompanied by the relevant share certificates, must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, whose address is at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration by no later than 4:30 p.m. on Thursday, 26 November 2026.

X. RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 40 of this circular which contains its recommendation to the Independent Shareholders on the terms of the Agreements and the Proposed Caps, and the letter of advice from Lego, the text of which is set out on pages 41 to 81 of this circular containing its advice to the Independent Board Committee and the Independent Shareholders. The Independent Shareholders are advised to read the aforesaid letters before deciding as to how to vote on the ordinary resolutions approving the Agreements and the Proposed Caps.

The Directors (including the independent non-executive Directors) consider that the proposed resolutions in respect of the Agreements and the Proposed Caps are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

XI. FURTHER INFORMATION

Your attention is also drawn to the further information set out in the appendix to this circular.

Yours faithfully,
By Order of the Board
Jiangxi Copper Company Limited
Zhou Shaobing
Chairman

江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

12 November 2026

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTION

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders in respect of the Agreements and the Proposed Caps, details of which are set out in the letter from the Board in the circular of the Company dated 12 November 2026 (the "**Circular**") to the Shareholders, of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

We wish to draw your attention to the "Letter from the Board" and the "Letter from Lego" as set out in the Circular. Having taken into account the terms of the Agreements and the advice and recommendation of Lego, we consider that the terms of the Agreements and the Proposed Caps are fair and reasonable so far as the interests of the Independent Shareholders are concerned, the transactions contemplated under the Agreements are on normal commercial terms and in the ordinary and usual course of business of the Group, and the Agreements are conducted in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions which will be proposed at the EGM to approve the Agreements and the Proposed Caps.

Yours faithfully,
Wang Feng **Lai Dan**
Liu Shuying **Liu Zhihong**
Independent Board Committee

The following is the full text of a letter of advice from Lego Corporate Finance Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of incorporation into this circular, setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Agreements and the transactions contemplated thereunder (including the Proposed Caps).



12 November 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sirs or Madams,

CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTION

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Agreements and the transactions contemplated thereunder (including the Proposed Caps), details of which are set out in the "Letter from the Board" (the "**Letter from the Board**") contained in the circular dated 12 November 2026 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

References are made to the 2023 Announcement and the 2023 Circular in relation to, among other things, the continuing connected transactions and connected transaction of the Company contemplated under the 2023 Agreements (as the case may be). As the 2023 Agreements and their respective annual caps will expire on 31 December 2026 and the Group intends to continue to carry out the transactions under the 2023 Agreements, the Company has entered into the Agreements with JCC on 30 September 2026.

As at the Latest Practicable Date, JCC is a substantial shareholder holding approximately 45.72% of the total issued share capital of the Company and therefore JCC is a connected person of the Company under the Listing Rules. Accordingly, the entering into of the transactions contemplated under the Agreement 1 and Agreement 2 shall constitute continuing connected transactions of the Company and will therefore be subject to the requirements under Chapter 14A of the Listing Rules. Pursuant to IFRS 16, the Group will recognise the right-of-use assets in relation to the Land Use Rights and Properties Leasing Agreement, therefore, the transactions contemplated thereunder shall constitute acquisition of assets and a connected transaction of the Company, and will thus also be subject to the requirements under Chapter 14A of the Listing Rules.

As the A Shares are listed on the Shanghai Stock Exchange, the Company is also required to comply with the SSE Listing Rules. Pursuant to the SSE Listing Rules, the transactions contemplated under the Agreements are subject to the approval of Independent Shareholders.

As one of the Percentage Ratios in respect of the highest amount of the Proposed Caps for the continuing connected transactions contemplated under Agreement 1 and Agreement 2 exceeds 5% respectively, they are subject to the reporting, announcement, the annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. All the Percentage Ratios in respect of the value of the right-of-use assets under the Land Use Rights and Properties Leasing Agreement are less than 5%. Nevertheless, however, the transactions contemplated under Land Use Rights and Properties Leasing Agreement are also subject to Independent Shareholders' approval pursuant to the SSE Listing Rules. If during the period ending 31 December 2029, the respective aggregate annual value of the Continuing Connected Transactions exceeds the Proposed Caps or there is any material change to the Agreements, the Company will take necessary steps to ensure compliance with all applicable requirements under Chapter 14A of the Listing Rules.

The transactions contemplated under the Agreements will be subject to obtaining of approvals from Independent Shareholders at the EGM to approve, inter alia, the Agreements and the transactions contemplated thereunder and the Proposed Caps for Agreement 1 and Agreement 2, in which JCC and its associates will abstain from voting.

The Independent Board Committee, comprising all the independent non-executive Directors, has been formed in accordance with the Listing Rules to advise the Independent Shareholders as to whether (i) the terms of the Agreements and the transactions contemplated thereunder (including the Proposed Caps) are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole; and (ii) the entering into of the Agreements are in the ordinary and usual course of business of the Group based on normal commercial terms, and to advise the Independent Shareholders as to whether to vote in favour of the relevant resolutions to be proposed at the EGM. As the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders in such regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, Lego Corporate Finance Limited did not have any relationships or interests with the Company or JCC or any other parties that could reasonably be regarded as relevant to the independence of Lego Corporate Finance Limited. In the last two years, there was no engagement between the Group and Lego Corporate Finance Limited. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Company or JCC or any other party to the transactions contemplated under the Agreements. Accordingly, we consider that we are independent from the Company pursuant to the requirement under Rule 13.84 of the Listing Rules and thus we are eligible to give independent advice in respect of the Agreements and the transactions contemplated thereunder (including the Proposed Caps).

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the information supplied by the Group and its advisers; (iii) the opinions expressed by and the representations of the Directors and the management of the Group (the "**Management**"); and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the time they were made and continue to be true as at the date of the Circular and all such statements of belief, opinions and intention of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truthfulness, accuracy and completeness of the information and representations provided to us by the Directors, the Management, and/or the advisers of the Company. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the Management are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the date of the Circular.

We consider that we have reviewed the relevant information currently available, among others, (i) the announcement of the Company dated 30 September 2026; (ii) the annual report of the Company for the year ended 31 December 2025 (the "**2025 Annual Report**"); (iii) the interim report of the Company for the six months ended 30 June 2026 (the "**2026 Interim Report**"); and (iv) other information contained in this letter, to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company or JCC or any of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation, we have considered the following principal factors and reasons:

A. BACKGROUND AND INFORMATION OF THE PARTIES TO THE AGREEMENTS

The Group

The principal business of the Group covers copper and gold mining and dressing, smelting and processing, extraction and processing of scattered metals, sulphuric chemistry as well as finance and trading fields. The Group has established a complete industrial chain integrating exploration, mining, mineral dressing, smelting and processing in the copper and related non-ferrous metals sectors, and is an important production base for copper, gold, silver and sulfide chemicals in China. Its products include more than 50 varieties of products, such as copper cathode, gold, silver, sulphuric acid, copper rod, copper tube, copper foil, selenium, tellurium, rhenium and bismuth, etc. The Company has five 100% owned mines under production, namely Dexing Copper Mine (including copper factory mining area and Fujiawu mining area), Yongping Copper Mine, Chengmenshan Copper Mine (including Jinjiwo Silver-Copper Mine), Wushan Copper Mine, and JCC Yinshan Mining Company Limited, and a number of relevant production facilities, including five smelters under production and ten modern copper products processing plants. The Company also holds 36.50% of Shandong Humon Smelting Co., Ltd., which mainly engages in the exploration, mining, dressing, smelting and chemical production of gold and is a national key gold smelting enterprise.

JCC

JCC is a state-owned enterprise and the holding company of the Company. The de facto controller of JCC is Stated-owned Asset Supervision and Administrative Commission of Jiangxi Province. The principal business of JCC covers: licensed items: construction engineering works; mining of mineral resources in non-coal mines (for items subject to approval in accordance with the law, operations may only be carried out within the validity period of the licence after approval by the relevant authorities, and the specific items and licence period shall be subject to the approval documents or licences issued by the relevant authorities); general items: mineral processing; rolling and processing of nonferrous metals; smelting of common non-ferrous metals; contracting for overseas engineering projects; engineering management services; import and export of goods; recovery of productive scrap metals; recovery of renewable resources (excluding productive scrap metals); import and export of technology; property management; housing leasing; leasing of non-residential real estate; construction of landscaping projects; installation services for public environmental sanitation facilities; technical services, technical development, technical consulting, technical exchange, technical transfer and technical promotion; sale of metal ores (apart from items subject to approval in accordance with the law, the Company may independently carry out business activities in accordance with its business licence).

B. AGREEMENT 1

1. Reasons for and benefits of the entering into of Agreement 1

As disclosed in the Letter from the Board, with the expansion of production and operation scale of the Group, demand for raw materials increased accordingly. By taking advantage of the existing market resources of JCC Group, the Group can establish networks of sales and purchases of copper raw materials at a low cost, and obtain stable supply channels for raw materials.

We were advised by the Management that copper concentrates, being one of the major materials to be supplied by JCC Group to the Group pursuant to Agreement 1, is the major material to the production of copper cathode, which is one of the major products of the Group. We have reviewed the 2025 Annual Report and noted that the Group produced approximately 2,380,400 tonnes of copper cathode, which was the largest revenue source by product of the Group and accounted for approximately 44.4% of the Group's total revenue for the year. However, the Group had only produced copper contained in self-produced copper concentrates of approximately 269,900 tonnes in 2025. As advised by the Management, in view of the limited quantity of self-produced raw materials, in particular copper concentrates which is a major material to the production of copper cathode, the Group has to source raw materials, including but not limited to copper concentrates from other suppliers, including JCC Group, for production of copper cathode.

Gold, silver and sulphur contents contained in copper concentrates are being processed and extracted during the production process. The Management advised that gold, silver and sulphur contents in copper concentrates are incidental to the production of copper concentrates, and therefore the Group shall purchase such contents so that the processed and extracted products (together with copper concentrates) can be sold in the market and generate revenue for the Group. Further, during the production and/or operational process, the Group also requires ancillary materials, spare parts, processing parts, gold and silver.

We are of the view that the entering into of a long-term supply agreement with JCC will ensure the stable supply of raw materials, ancillary materials, spare parts, processing parts, gold and silver to facilitate its production, which in turn ensures the smooth and ordinary operation of the Group's business. Particularly, as advised by the Management, there have been no material shortage or quality issues of the raw materials, ancillary materials, spare parts, processing parts, gold and silver supplied by JCC Group to the Group throughout the years of business relationships between the Group and JCC Group, that would deter the Group to continue to source from JCC Group. JCC Group, being one of the major players in the copper industry in the PRC, has established extensive sourcing networks. The Management believes that, by leveraging on JCC Group's market resources, the Group would

be able to obtain stable supply channels of raw materials and save costs in developing its own sourcing networks for those materials. Meanwhile, economies of scale can be achieved by consolidating the procurement of those materials in bulk through JCC Group, thus effectively controlling the average purchase cost of materials.

As disclosed in the Letter from the Board, the Group will benefit from several supportive consolidated services provided by JCC Group to the Group for ordinary operation, including repair services and construction services, which will enhance the Group's operation and minimise the costs of arranging manpower to provide repair services and construction services by the Group. As advised by the Management, the supportive consolidated services to be provided by JCC Group to the Group under Agreement 1 are not directly related to the core business of the Group, but are essential to facilitate the smooth and stable business operations of the Group. In particular, JCC Group and the Group possess different construction qualifications (such as smelting ancillary construction and mine construction), expertise and knowledge in machinery and electrical equipment in the mining industry, where the Group requires certain construction and installation services, machinery and electrical equipment and the corresponding repair services depending on operating needs and geographical locations. The Directors believe that by leveraging on JCC Group's existing resources, the Group would be able to minimise the cost of establishing its own team with qualifications and expertise to handle repair and maintenance, construction and other miscellaneous services for its operation in each geographical location, while the Group can better allocate its resources on its core business operations. We are of the view that the entering into of a long-term services agreement with JCC will allow the Group to secure stable provision of these supportive consolidated services from JCC Group, which in turn facilitates the smooth and stable business operations of the Group.

We noted that JCC Group has been supplying the aforesaid materials and providing the aforesaid supportive consolidated services to the Group since 1997. In view of the long cooperation history with JCC Group, JCC Group possesses the relevant experiences for the relevant supply of materials and services and has better understanding of the needs of the Group, which will allow more cost-effective and efficient supply of materials and services than those rendered by other suppliers.

In view of the reasons above, we are of the view that the entering into of the Agreement 1 is in the ordinary and usual course of business of the Group, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

2. Principal terms of Agreement 1

Particulars of Agreement 1

Pursuant to Agreement 1, JCC agreed to supply various materials and provide consolidated services to the Group for a term of three years commencing from 1 January 2027 up to 31 December 2029.

Save as otherwise provided, in the event that the Group no longer requires any one type of supply of materials or provision of consolidated services by JCC Group under Agreement 1, the Company shall give JCC three months' notice in writing prior to terminating such supply of materials or provision of consolidated services.

Pricing and payment term

Pursuant to Agreement 1, if applicable, terms provided by JCC in relation to the supply of various materials and the provision of consolidated services under Agreement 1 will be no less favourable than terms provided by Independent Third Parties in respect of similar materials and services (as the case may be). In addition, the Company is entitled to obtain such materials and services from Independent Third Parties if the terms provided by Independent Third Parties are in the interest of the Company after overall consideration and comparing the terms provided by JCC and Independent Third Parties. In particular, the pricing bases of the transactions contemplated under the Agreement 1 are set out below:

Supply of copper concentrates

JCC agreed to supply the Group with copper concentrates at a price determined with reference to the market prices of copper concentrates of the same quality. The price shall be determined with reference to the publicly available market prices of copper on the Shanghai Futures Exchange (http://www.shfe.com.cn/), LME (http://www.lme.com/), Shanghai Gold Exchange (http://www.sge.com.cn/) and Changjiang Non-Ferrous Metal Spot* (長江有色金屬現貨) (http://www.ccmn.cn/), etc. In addition, JCC agreed to grant the Group the right of first refusal to purchase the copper concentrates from JCC Group at prices no higher than the prices that the Group can otherwise obtain in the market.

Supply of gold, silver and sulphur contents contained in copper concentrates

JCC agreed to supply the Group with gold, silver and sulphur contents contained in copper concentrates at a price determined with reference to the market prices of gold, silver and sulphur contents contained in copper concentrates of the same quality. The price of gold and silver contents contained in copper concentrates shall be determined with reference to the publicly available market prices of gold and silver on the Shanghai Futures Exchange (http://www.shfe.com.cn/), LME (http://www.lme.com/), Shanghai Gold Exchange (http://www.sge.com.cn/) and Changjiang Non-Ferrous Metal Spot* (長江有色金屬現貨) (http://www.ccmn.cn/), etc.

For sulphur contents contained in copper concentrates, apart from purchasing from JCC, the Company will also purchase from other suppliers in the PRC. In determining the price of sulphur contents contained in copper concentrates, the Company will make reference to and ensure that the price to be offered by JCC to the Company will not be higher than the prices offered by at least two Independent Third Parties when entering into agreements with JCC.

Supply of materials and other auxiliary materials which are required for the production of the Group's products

JCC agreed to supply the Group with materials such as rubber products, emulsifiers, pigments and woven bags produced or processed by JCC Group and other auxiliary materials which are required for the production of the Group's products including but not limited to loose stones, limestone, bamboo products and scrap steel at prices determined with reference to the prices in the local market to which such products are being delivered (i.e. the quotations offered by at least two suppliers who are Independent Third Parties, for similar auxiliary materials). If there are no such market prices, the prices to be charged shall be determined based on a price no higher than the prices charged by JCC Group on its members, or based on the costs plus applicable taxes (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

The Group shall, in principle, pay 80% of the total amount for the purchase of the auxiliary materials to JCC Group within 7 days of receipt of such materials and the remaining 20% of the total amount for such materials to JCC Group upon acceptance after satisfactory inspection. The parties may agree on specific settlement method in the implementation contract.

We have obtained and reviewed randomly selected sample agreements in relation to the purchase of such materials entered into between (i) the Group and JCC Group; and (ii) the Group and Independent Third Parties, and noted that the payment terms charged to the Group by JCC Group were no less favourable than those charged by the Independent Third Parties in comparable transactions.

Supply of spare parts and processing parts which are required for the production of the Group's products

JCC agreed to supply the Group with spare parts and processing parts, with spare parts including but not limited to machinery components, such as mining spare parts, high manganese cast steel, iron castings, cast steel, cold welding components, sand pumps, switch boxes and other spare parts, and processing parts (non-standard items) including but not limited to rollers and liners. The prices for spare parts shall be calculated based on the local market prices for such products at the time, whereas the prices for processing parts shall generally be calculated based on the market prices. In determining the price for spare parts, the Company will obtain the local market prices through market research, mainly by making reference to prices of steel, copper or other metals as quoted on Changjiang Non-Ferrous Metal Spot* (長江有色金屬現貨) (http://www.ccmn.cn/) and Shanghai Futures Exchange (http://www.shfe.com.cn/) for estimation of prices of metallic spare parts. The Company will also make reference to quotations for non-metallic spare parts and processing parts offered by at least two suppliers who are Independent Third Parties. If there are no such market prices, the prices to be charged shall be determined based on a price no higher than the prices charged by JCC Group on its members, or based on the costs of the spare parts and processing parts plus applicable taxes payable to the PRC government (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

The Group shall, in principle, pay 80% of the total amount for the purchase of the spare parts and processing parts to JCC Group within 7 days of receipt of such materials and the remaining 20% of the total amount for such materials to JCC Group upon acceptance after satisfactory inspection. The parties may agree on specific settlement method in the implementation contract.

We have obtained and reviewed randomly selected sample agreements in relation to the purchase of such materials entered into between (i) the Group and JCC Group; and (ii) the Group and Independent Third Parties, and noted that the payment terms charged to the Group by JCC Group were no less favourable than those charged by the Independent Third Parties in comparable transactions.

Supply of gold and silver produced from the smelting of lead concentrates and zinc concentrates

JCC agreed to provide the Group with gold and silver produced from the smelting of lead concentrates and zinc concentrates at a price based on the prices as quoted on the Shanghai Gold Exchange (http://www.sge.com.cn/) and Ebaiyin.com* (中國白銀網) (http://www.ebaiyin.com) as the benchmark price, and not higher than the market prices. In addition, JCC agreed to grant to the Group the right of first refusal to purchase the gold and silver from JCC Group.

Engaged processing services

JCC agreed to provide material processing services to the Group, mainly including (i) crushing and processing refractory brick materials wastes used by the Group in production and returning the materials containing valuable elements such as magnesium, chromium and copper to the Group for external sales, and (ii) providing dismantling and processing services of the coarse copper wastes to the Group.

The fees for these processing services payable by the Group shall be determined with reference to the situation of similar industry and market price standards in the local market. However, the demand for such processing services only comes from major mining companies, as such, the demand is limited in each province, leading to limited options of suppliers. Given the limited selection of service providers within the province, and JCC Group possesses the relevant capabilities and experience, the Group has been engaging JCC Group for the provision of the material processing services. As the market prices are not publicly available, the service fee will be calculated based on the costs plus relevant taxes and applicable profit margin. The applicable profit margin will be calculated with reference to the difference between the value of valuable materials obtained after processing (with reference to the monthly average closing price of copper as quoted on the Shanghai Futures Exchange) and the value of waste materials before processing (with reference to the prices charged by the Group on Independent Third Parties for the sales of comparable materials). The average applicable profit margin is estimated to be around 15%. The specific delivery and settlement method may be agreed by the parties in the implementation contract.

We have discussed with the Management and were given to understand that the Group replaces the refractory brick materials during its annual maintenance in relation to the smelting furnace used in the production. We noted that Jiangtong Group (Guixi) Xin Industry Development Co. Limited* 江西銅業集團(貴溪)新產業開發有限公司("**Jiangtong Guixi**"), which is a wholly-owned subsidiary of JCC and is principally engaged in material processing services, provides the Group with processing services to extract magnesium, chromium and copper from the waste refractory brick materials for further production and/or sales. We have reviewed the audit report of Jiangtong Guixi for the two years ended 31 December 2025 and noted that the gross profit margin of Jiangtong Guixi were approximately 22.1% and 22.4% for the two years ended 31 December 2025, respectively. Given the average applicable profit margin of 15% is below the gross profit margin of Jiangtong Guixi, we consider that it is fair and reasonable.

Machinery and electrical equipment repair services

JCC agreed to provide machinery and electrical equipment repair services to the Group. The Group shall pay the machinery and electrical equipment repair services fees to JCC monthly.

As the Group is a large scale industrial enterprise, repair of machinery and electrical equipment needs to be completed within a short period of time to avoid any loss caused by disruption. Therefore, determination of price by way of public tender or requests for fee quotation may not be in the best interests of the Group as these methods are more time-consuming. The PRC government prescribed prices are the most recognisable public reference which generally reflects market prices. For those services with the PRC government prescribed prices, the fees will be determined with reference to the PRC government prescribed prices published under the Non-standard Equipment Pricing Measures for Non-ferrous Metal Industry* (《有色金屬工業非標準設備定價辦法》) of the Non-ferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Nonferrous Metals Industry Association (中國有色金屬工業協會) in 2019, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable. The Company will compare the same with the prices charged by at least two Independent Third Parties providing similar services to the Group from time to time to determine the applicability.

Where the PRC government prescribed prices are not applicable in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing for similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there are no applicable industry or market prices, or in the case of services for which there are no such industry or market pricing, the price shall be determined based on a price not higher than that offered by JCC Group to its members or based on the costs plus applicable taxes (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

Construction and installation services

JCC agreed to provide construction and installation services to the Group, including but not limited to plants, office buildings and waste dumps construction services. As the PRC government prescribed prices are the most recognisable public reference and generally reflect market prices, for services subject to PRC government prescribed prices, the fees shall not exceed the PRC government prescribed prices published under the Jiangxi Province Standard Price of Construction Projects 2017* (2017版《江西省建設工程定額》) issued by the Department of Housing and Urban Rural Development of Jiangxi Province* (江西省住房和城鄉建設廳) which came into effect on 1 December 2017; or the Non-ferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Non-ferrous Metals Industry Association (中國有色金屬工業協會) which came into effect on 29 November 2019; or the Code of Bills of Quantities and Valuation for Construction Works* (《建築工程工程量清單計價規範》) (GB50500-2024) issued by the Ministry of Housing and Urban-Rural Development of the PRC* (中國住房和城鄉建設部) which came into effect on 1 September 2025, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable. The Company will compare the same with the prices charged by at least two Independent Third Parties providing similar services to the Group from time to time to determine the applicability.

Where the PRC government prescribed prices are not applicable and in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing for similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there are no applicable industry or market prices, or in the case of services for which there are no such industry or market pricing, the price shall be determined based on a price not higher than that offered by JCC Group to its members or based on the costs plus applicable taxes (whichever is lower). In any event, such prices shall not be higher than the prices offered by Independent Third Parties to the Group, where applicable.

The Group shall pay service fees to JCC Group according to the progress of the construction projects.

Futures brokerage services

JCC agreed to provide the futures brokerage services to the Group. The Company agreed to pay JCC Group for such brokerage services after the completion of futures transaction, determined at the current market rate (with reference to the rate charged by Jinrui Futures Brokerage Co., Ltd.* (金瑞期貨經紀有限公司), a subsidiary of JCC which is principally engaged in the provision of futures, options and other derivative products business, to its external independent clients) and the rate charged by JCC Group on its members, whichever is lower.

Public facilities services for living and production

JCC agreed to allow the Group to use the public facilities in the living area and production facilities. Regarding the public facilities in the living area, the Company and JCC agreed to share the costs in accordance with the actual expenditure and the proportion of the number of employees registered in JCC Group and the Group as at the end of the previous year. Regarding the production facilities for the exclusive use of the Group, the parties agreed that the Group will be fully responsible for the actual costs incurred by the Group in using the production facilities. For production facilities to be used by the Group and JCC Group jointly, the Company and JCC agreed to share the actual costs incurred on a pro rata basis with reference to their respective assets. The Company agreed to pay to JCC Group the service fees once every month and to settle the balance at the year end in accordance with the actual circumstances.

Daily welfare services

JCC agreed to provide daily welfare services to the employees of the Group, including but not limited to catering services at work and town gas supply services, and the Company shall reimburse JCC Group the actual amount incurred, provided that such amount shall be no more than 14% of the total annual salary of all employees of the Group. The Group shall prepay one-twelfth of the daily welfare service fees to JCC Group each month and settle the balance at the end of each year.

The daily welfare services provided by JCC Group to the Group are as follows:

(i) JCC Group will provide water and electricity supply services to the Group's employees at the purchase price while the operation costs will be deducted from the welfare fees payable by the Group to JCC Group; and

(ii) JCC Group will provide catering services to the Group's employees at a favourable price while the water and electricity expenses are included in the budget and will be deducted from the canteen meal fees payable by the Group to JCC Group.

As advised by the Management, if the actual amount incurred by JCC exceeds 14% of the total annual salary of all employees of the Group, the Group is only required to pay 14% of the total annual salary of all employees of the Group to JCC. Based on historical records, the actual amount incurred by JCC Group in previous years had not exceeded 14% of the total annual salary of all employees of the Group. The Group shall prepay one-twelfth of the annual fees for the daily welfare services to JCC Group each month and settle the balance at the end of each year.

As advised by the Management, the pre-paid amounts are determined with reference to the actual amounts incurred by JCC Group in the previous year. If the actual amounts incurred by JCC Group are less than the actual amounts pre-paid by the Group at the end of the year, the excess will be carried forward to the next following year as the pre-payment of the services fee during the term of the agreement. If the term of the agreement expires, the excess will be returned by JCC Group to the Group.

Environmental hygiene and greenery services

JCC agreed to provide the Group with environmental hygiene and greenery services, such as hygiene services at the roads of the living area and family quarters, cleaning of septic tanks and maintenance of plants and trees in the living area. The Company agreed to reimburse JCC Group the actual costs of such environmental hygiene and greenery services as service fees on a pro rata headcount basis. The Group shall prepay one-twelfth of the service fees to JCC Group each month and settle the balance at the end of each year.

As advised by the Management, the pre-paid amounts are determined with reference to the actual amounts incurred by JCC Group in the previous year. If the actual annual amounts incurred by JCC Group are less than the pre-paid fee at the end of the year, the excess will be carried forward to the next following year as the pre-payment of the services fee during the term of the agreement. If the term of the agreement expires, the excess will be returned by JCC Group to the Group.

Labour services

JCC agreed to provide labour services, such as loading, unloading and transporting services of various materials for production and sales, to the Group. The Company will make public enquiry regarding service fees with at least two independent third-party service providers in comparable markets, and determine the price based on the quotations obtained. Where there are no abovementioned quotations, the Company will make reference to the annual remuneration of employees hired for similar labour services plus relevant materials costs and taxes actually incurred to determine the fees payable for such services. The fees for these services shall be paid by the Group on a monthly basis.

Besides, the Company has established a connected transaction management system, and will verify the types and amounts of connected transactions regularly, in order to avoid transaction amounts in excess of the budget range. If it is discovered that the actual transaction amounts have exceeded the budget, the Company shall revise the budget with JCC, and comply with the relevant internal approval procedures and/or make appropriate disclosures in accordance with the relevant requirements under the Listing Rules.

Under Agreement 1, prices to be charged by JCC Group in relation to the supply of materials are determined with reference to (i) market prices; (ii) purchase prices; (iii) sourcing fees; (iv) prices charged by JCC Group on its members; and/or (v) the costs plus applicable taxes payable to the PRC government. For the provision of services, the fees to be charged by JCC Group are determined with reference to (i) market prices; (ii) industry prices/market standards; (iii) the costs plus applicable taxes payable to the PRC government; (iv) prices charged by JCC Group on its members; (v) PRC government prescribed prices; and/or (vi) actual costs.

For the prices to be charged by JCC Group in relation to the supply of various materials including, among others, copper concentrates, gold, silver and sulphur contents contained in copper concentrates, gold and silver, they are determined with reference to publicly available market prices on the Shanghai Futures Exchange, LME, Shanghai Gold Exchange, Changjiang Non-Ferrous Metal Spot* (長江有色金屬現貨) and/or Ebaiyin.com* (中國白銀網), which are the exchanges or public quotation sources for metals trading, or prices from Independent Third Parties.

For the future brokerage services provided by JCC Group, the service fees are determined with reference to the lower of the current market rate (with reference to the rate charged by Jinrui Futures Brokerage Co., Ltd.* (金瑞期貨經紀有限公司), a subsidiary of JCC which is principally engaged in the provision of futures, options and other derivative products business, to its external independent clients) and the rate charged by JCC Group on its members after the completion of each futures transaction. It is also noted that the pricing terms of the transactions contemplated under Agreement 1 are substantially similar to the pricing terms of the transactions contemplated under the 2023 Consolidated Supply and Services Agreement I.

Based on the above, in particular, (i) the pricing bases are determined where the market prices and industry prices are prioritised (if available); and (ii) the pricing terms are no less favourable to the Company than terms offered by Independent Third Parties, the Directors are of the view that the pricing terms are fair and reasonable and on normal commercial terms.

We have obtained and reviewed up to three randomly selected samples of agreements and invoices for each type of historical transactions (where applicable) between the Group and JCC Group under the 2023 Consolidated Supply and Services Agreement I. As advised by the Management, the agreements and invoices were standardised for each type of transactions under the 2023 Consolidated Supply and Services Agreement I. Based on our review of the sample agreements and invoices, we noted that the prices of the materials and services provided to the Group by JCC Group were in line with the pricing mechanisms as mentioned in Agreement 1. Given that (i) the aforesaid samples are obtained on a random basis covering each type of transactions under the 2023 Consolidated Supply and Services Agreement I, the samples are consistent and did not demonstrate any discrepancy to our understanding on the transactions between the Group and JCC Group; (ii) the transactions under the abovementioned samples were conducted during the term of the 2023 Consolidated Supply and Services Agreement I; and (iii) appropriate internal control measures of the Group were in place to govern the conduct of transactions contemplated under the 2023 Consolidated Supply and Services Agreement I, we consider such review covering the historical period under the 2023 Consolidated Supply and Services Agreement I on a typical case sampling basis on the transactions between the Group and JCC Group to be sufficient and representative from the Independent Financial Adviser's perspective and nothing has come to our attention that causes us to believe that such transactions did not follow the internal control measures.

We have also obtained and reviewed up to three sample agreements entered into between the Group and Independent Third Parties in respect of the supply of similar materials and provision of similar services (if applicable) to the Group and the relevant invoices, where available. Based on our review of the sample agreements and invoices, we noted that the prices paid by the Group to JCC Group were no less favourable to the Group than prices paid to Independent Third Parties. We also noted that the payment terms under Agreement 1 are no less favourable to the Group than those under the aforesaid sample agreements entered into with Independent Third Parties.

Given that the terms provided by JCC Group in relation to the supply of various materials and the provision of consolidated services under Agreement 1 will be no less favourable to the Group than terms offered by Independent Third Parties in respect of similar materials and services, and that the prices are generally determined with reference to the PRC government prescribed rates, market reference prices, prices charged by JCC Group on its members, the costs plus relevant tax, or a combination of certain pricing bases as mentioned above, we concur with the view of the Directors that the pricing bases of the transactions contemplated under Agreement 1 are fair and reasonable and on normal commercial terms.

Other terms

The transactions contemplated under Agreement 1 will be conducted on an on-demand basis, which the Company has no commitment on the level of procurement of materials and usage of services, and will not incur any costs if there is no procurement of materials and/or usage of services for each of the three years ending 31 December 2029.

We have reviewed other major terms of Agreement 1 and are not aware of any terms which are exceptional to normal market practice.

Based on the above, we are of the opinion that the terms of Agreement 1 are on normal commercial terms, fair and reasonable so far as the Company and the Independent Shareholders are concerned.

3. Annual caps for the transactions under Agreement 1 for the three years ending 31 December 2029 (the "Annual Caps 1")

Set out below are the historical transaction amounts for the 2023 Consolidated Supply and Services Agreement I for the two years ended 31 December 2025 and the six months ended 30 June 2026 and the Annual Caps 1:

	For the year ended 31 December 2024 *(RMB' million) (Actual)*	**For the year ended 31 December 2025** *(RMB' million) (Actual)*	**For the six months ended 30 June 2026** *(RMB' million) (Actual)*	**For the year ending 31 December 2027** *(RMB' million) (Cap)*	**For the year ending 31 December 2028** *(RMB' million) (Cap)*	**For the year ending 31 December 2029** *(RMB' million) (Cap)*
Transaction amount	4,493.0	5,843.9	4,935.4	N/A	N/A	N/A
Annual cap	6,181.4	6,271.3	6,365.9	17,174.0	17,378.5	17,508.5
Utilisation rate	72.7%	93.2%	155.1% *(Note)*	N/A	N/A	N/A

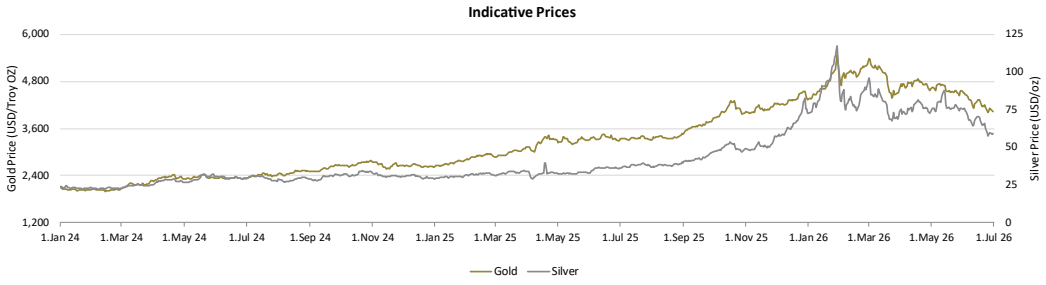
Note: The estimated utilisation rate for the year ending 31 December 2026 is calculated by dividing the annualised transaction amount for the six months ended 30 June 2026 by the annual cap for the year ending 31 December 2026.

In assessing the fairness and reasonableness of the Annual Caps 1, we have discussed with the Management regarding the principal bases and assumptions adopted in determining the Annual Caps 1.

During our review of the estimation of the Annual Caps 1, we noted that the Annual Caps 1 were primarily determined with reference to the historical transaction amounts under the 2023 Consolidated Supply and Services Agreement I. As illustrated in the above table, the historical transaction amounts for the 2023 Consolidated Supply and Services Agreement I amounted to approximately RMB4,493.0 million, RMB5,843.9 million and RMB4,935.4 million for the two years ended 31 December 2025 and the six months ended 30 June 2026, respectively. We have discussed with the Management and were given to understand that such increasing trend was mainly due to the significant rise in the prices of precious metals such as silver and gold.

For illustrative purpose, the annualised transaction amount for the year ending 31 December 2026 (which is calculated based on the amounts paid by the Group of approximately RMB4,935.4 million for the six months ended 30 June 2026) amounts to approximately RMB9,870.8 million (the "**Annualised Purchase Amount**"), which exceeds the existing annual caps (the "**Existing Annual Caps 1**") of approximately RMB6,181.4 million, RMB6,271.3 and RMB6,365.9 million for each of the three years ending 31 December 2026 and represents approximately 57.5%, 56.8% and 56.4% of the Annual Caps 1 for the three years ending 31 December 2029.

For our due diligence purpose, we have reviewed the historical prices of silver and gold as quoted from Heraeus Precious Metals, which is one of the world's leading players in the precious metals industry, and noted that the silver price increased by approximately 145.8% from approximately US$24 per ounce in January 2024 to approximately US$59 per ounce in June 2026 and the gold price increased by approximately 90.5% from approximately US$2,100 per ounce in January 2024 to approximately US$4,000 per ounce in June 2026.



Source: Heraeus Precious Metals

As advised by the Management, following the surge in market prices while the transaction quantity remained unchanged, the Group was constrained by the Existing Annual Caps 1 and increased the procurement of silver from Independent Third Parties suppliers to meet its operation requirement. We have reviewed the management schedule of the total purchase of silver by the Group from both Independent Third Parties and JCC Group for the two years ended 31 December 2025 and the six months ended 30 June 2026 provided by the Company, and the breakdown of such transaction amount is set out below.

	For the year ended 31 December 2024 *(RMB' million) (Actual)*	**For the year ended 31 December 2025** *(RMB' million) (Actual)*	**For the six months ended 30 June 2026** *(RMB' million) (Actual)*
Independent Third Parties	3,247	4,772	6,311
JCC Group	3,139	4,259	4,056

Based on the discussion with the Management, after considering (i) the renewal of the annual caps; and (ii) the favourable terms offered by JCC Group as compared to the Independent Third Parties, including longer credit term, lower handling fees and purchase prices, the Group expects to increase the purchase amount of silver from JCC Group. For illustrative purpose, assuming the Group purchases silver from JCC Group rather than Independent Third Parties, the Annual Caps 1 represents the maximum purchase threshold. The annualised silver transaction amount for the year ending 31 December 2026 (which is calculated based on the total amounts paid by the Group of approximately RMB10,367 million for the six months ended 30 June 2026) amounts to approximately RMB20,734 million (the "**Annualised Silver Amount**"), which exceeds the Annual Caps 1 for the three years ending 31 December 2029.

We have reviewed the 2026 Interim Report and noted that the Group's operating revenue from silver recorded substantial increase of approximately RMB12,093.3 million or 146.5% from approximately RMB8,257.2 million for the six months ended 30 June 2025 to approximately RMB20,350.5 million for the six months ended 30 June 2026. Similarly, the Group's operating revenue from gold recorded an increase of approximately RMB9,769.1 million or 26.2% from approximately RMB37,246.3 million for the six months ended 30 June 2025 to approximately RMB47,015.4 million for the six months ended 30 June 2026. As advised by the Management, such increase in operating revenue and costs from silver and gold was primarily due to the expansion of the business of gold and silver. Such significant increase evidenced the market opportunities which the Group can capture and the contribution of the revenue growth of the Group.

Taking into consideration of the nature and value of gold and silver, the sales amount of each transaction would be substantial and hence the business scale of the gold and silver is relatively large. We have discussed with the Management and were given to understand that the Group's customers for its gold and silver were generally scalable companies, including international banks and financial institutions. In view of the proposed business expansion to source and engage additional customers, the Management considers that it is reasonable to expect that the sales amount for such business would grow and remain high for each of the three years ending 31 December 2029, which will lead to increase in purchase of gold and silver by the Group. We were advised by the Management that the gold and silver business is a stable and recurring source of income of the Group, hence we are of the view that it is fair and reasonable to determine the Annual Caps 1 according to the Group's sales target, so as not to limit the development of the Group's business in the event that it is able to meet its sales target.

Having considered that (i) the Annualised Purchase Amount of approximately RMB9,870.8 million represents approximately 57.5%, 56.8% and 56.4% of the Annual Caps 1 for the three years ending 31 December 2029; (ii) the substantial increase in historical prices of silver and gold have led to higher projected transaction values and Annual Caps 1; (iii) the expected increase in purchase amount of silver from JCC Group as substantiated by the Annualised Silver Amount; (iv) the terms provided by JCC in relation to the supply of gold and silver under Agreement 1 will be no less favourable than terms provided by Independent Third Parties in respect of similar transactions; and (v) the further expansion of the gold and silver business of the Group is in line with the historical growth in revenue from silver and gold of approximately RMB12,093.3 million and RMB9,769.1 million for the six months ended 30 June 2026, respectively, we are of the view that the Annual Caps 1 are justifiable.

The Annual Caps 1 are determined by the Management based on the assumptions, which include but are not limited to the current estimation of the transaction amount and market conditions. Accordingly, we express no opinion as to how closely the actual amounts contemplated under the continuing connected transactions in comparison to the Annual Caps 1.

C. AGREEMENT 2

1. Reasons for and benefits of the entering into of Agreement 2

As disclosed in the 2025 Annual Report, copper cathode and copper rod and wire are two of the principal products of the Group. The Group produced approximately 2,380,400 tonnes of copper cathode and 1,913,100 tonnes of copper processing products for the year ended 31 December 2025, which in aggregate generated revenue of approximately RMB383.5 billion and accounted for approximately 70.7% of the Group's total revenue for the year. As advised by the Management, lead materials, zinc materials and sulphuric acid and steel balls are the by-products of the principal products of the Group. Therefore, it is within the ordinary and usual course of business of the Group to sell copper cathode, copper rod and wire and the aforesaid by-products to JCC Group, which will generate revenue for the Group.

As disclosed in the Letter from the Board, the Company produces significant volumes of products such as copper cathode and copper rod and wire, which require continuous external sales. As one of the Company's customers, JCC Group has a stable demand for products such as copper cathode and copper rod and wire. By leveraging JCC Group's strong market channel resources, the Company can secure stable support from downstream demand. To ensure the orderly conduct of day-to-day operations, the Company's sales of products to JCC Group, coupled with the provision of comprehensive supporting services, can effectively reduce expenditure on market expansion and customer retention, optimise the product sales structure, and ensure the continuous and stable operation of production and business activities.

Both the Group and JCC Group require auxiliary materials such as non-ferrous metal materials, chemical materials, diesel, steel, cement, wires and cables for their respective production process. As the Group possesses relevant experiences in sourcing these auxiliary materials, the Group will purchase these auxiliary materials in bulk for both the Group and JCC Group. By centralising the procurement needs of certain auxiliary materials from both the Group and JCC Group, the Group is able to benefit from bulk purchase discounts and lower its average purchasing costs.

As advised by the Management, the Group has excess capacity to provide the aforesaid services to JCC Group. The Directors believe that providing such services to JCC Group allows the Group to improve its production scale and efficiency by better utilising the excess capacity of its resources and hence achieve economies of scale while at the same time generating revenue for the Group. The Management also advised that the provision of certain services can achieve mutual benefit to the Group and JCC Group as the parties can share the fixed costs of the facilities, thereby reducing the costs to be borne by the Group. Accordingly, provision of the aforesaid services to JCC Group under Agreement 2 is beneficial to the overall operations of the Group and is expected to have no adverse impact on the business operations of the Group.

In view of the reasons above, in particular that (i) the supply of copper cathode and copper processing products to JCC Group will generate revenue for the Group; and (ii) the supply of waste materials, auxiliary materials and supportive services to JCC Group will improve the scale and efficiency of the business operations of the Group, we are of the view that the entering into of Agreement 2 is in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

2. Principal terms of Agreement 2

Particulars of Agreement 2

Pursuant to Agreement 2, the Company agreed to supply various materials and provide consolidated services to JCC Group for a term of three years commencing from 1 January 2027 up to 31 December 2029.

Save as otherwise provided, in the event that JCC Group no longer requires any one type of supply of materials or provision of consolidated services by the Group under Agreement 2, JCC shall give three months' notice in writing to the Company prior to terminating such supply of materials or provision of consolidated services.

Pricing and payment term

Pursuant to Agreement 2, as far as the Group is concerned, if applicable, the terms relating to the supply of products, raw materials, auxiliary materials, spare products, spare parts, processing parts and waste materials and the provision of consolidated services to JCC Group will be no less favourable than the terms offered by the Group to Independent Third Parties for similar materials and services (as the case may be). In particular, the pricing bases of the transactions contemplated under Agreement 2 are set out below:

Supply of various materials by the Group

Supply of copper cathode and copper rod and wire, lead and zinc materials, sulphuric acid and steel balls.

The Company agreed to supply JCC Group with copper cathode and copper rod and wire, lead and zinc materials, sulphuric acid and steel balls at prices as calculated on the following bases:

1. for copper cathode, the prices will be calculated as: Q + R – S

   where:

   Q = average settlement price of copper as quoted on the Shanghai Futures Exchange for the month in which the orders were made;

   R = premium per tonne above the standard rate for copper cathode, being the market rate of premium for grade A copper cathode as registered with the Shanghai Futures Exchange, of which the copper cathode produced by the Group has been categorised; and

   S = 50% of the transportation cost for the delivery of copper cathode from the Group's production plant to the warehouse of the Shanghai Futures Exchange (where applicable).

As disclosed in the Letter from the Board, for avoidance of risks, where the delivery location for copper cathode is the delivery warehouse designated by the Shanghai Futures Exchange, according to the normal commercial terms and the principle of fairness, the purchaser and the vendor will each bear 50% of the transportation costs, i.e. selling price of copper cathode = copper base price + premium – 50% transportation fees. Where such delivery location is other delivery warehouses designated by the buyer or seller, or another warehouse agreed upon by both parties that is not designated by the Shanghai Futures Exchange, there will be no transportation costs for delivery of copper cathode to warehouse designated by the Shanghai Futures Exchange, i.e. selling price of copper cathode = copper base price + premium – 0. Currently, the delivery locations for the Group's sales of copper cathode to JCC Group and Independent Third Parties usually have been stipulated in the specific selling contracts, such delivery locations are rarely the warehouse designated by the Shanghai Futures Exchange. However, when entering into Agreement 2 with JCC, in order to ensure the price calculation method applies to all circumstances, the Company adopted the formula "Q + R – S". Therefore, the pricing basis is on normal commercial terms.

We have discussed with the Management and were given to understand that it is a common market practice to share the transportation costs for the delivery of copper cathode from the production plant to the warehouse of the Shanghai Futures Exchange equally. In view of the above and such sharing ratio is in line with the normal commercial terms and the principle of fairness, we consider the rate of 50% is fair and reasonable.

2. for copper rod and wire, the prices will be calculated as: T + U

   where:

   T = average settlement price of copper as quoted on the Shanghai Futures Exchange for the month in which the orders were made; and

   U = processing fee determined with reference to the processing fees payable by Independent Third Parties to the Group.

3. for lead and zinc materials and sulphuric acid and other products, the prices will be determined based on the prices charged by the Group on Independent Third Parties. In particular, the prices for lead and zinc materials charged by the Group on Independent Third Parties and JCC Group are both determined with reference to the publicly available metal prices on the Shanghai Metals Market* (上海有色網) (http://www.smm.cn/).

4. for steel balls, the prices will be determined based on the prices charged by the Group on Independent Third Parties. If the prices charged on Independent Third Parties are unavailable, such prices shall be not lower than the prices offered by the Group to its members. In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

Supply of waste materials and auxiliary materials

The Company agreed to supply JCC Group with waste materials generated from the Group's smelting and production process and auxiliary materials at prices as calculated on the following bases:

1. for waste materials such as scrap materials and slag generated from the smelting and production process, the prices will be determined based on market prices charged by the Group on Independent Third Parties. If such prices are unavailable, the prices will be calculated based on the costs plus applicable taxes and profit margin for the same or similar industry as published by the PRC government. Having considered the gross profit margin level for the Group's production and operations, the range of the relevant profit margin is between 10% and 20%.

2. for auxiliary materials such as non-ferrous metal materials, chemical materials, diesel, steel, cement, wires and cables, the prices will be calculated with reference to the prices for the materials in the local market to which such products are being delivered. If there are no such market prices, the prices will be not lower than the prices charged by the Group on its members or the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

In relation to the abovementioned supply of materials by the Group, JCC Group shall pay 80% of the total amount for the purchase of the materials to the Group within 7 days of receipt of such materials, and the remaining 20% of the total amount for such materials to the Group upon acceptance after satisfactory inspection.

We have obtained and reviewed randomly selected sample agreements in relation to the purchase of such materials entered into between (i) the Group and JCC Group; and (ii) the Group and Independent Third Parties, and noted that the payment terms charged by the Group to JCC Group were no less favourable than those charged to the Independent Third Parties in comparable transactions.

Consolidated services provided by the Group

Construction and installation services

The Company agreed to provide construction and installation services to JCC Group, including but not limited to plants, office buildings and waste dumps construction services. As the PRC government prescribed prices are the most recognised public information available for reference which is generally reflective of market price, for those services which the PRC government prescribed prices, the fees will be determined with reference to the PRC government prescribed prices published under the Standard Price of Consumption of General Installation Projects (TY02–31–2021)* (《通用安裝工程消耗量定額》(TY02–31–2021)) issued by the Ministry of Housing and Urban-Rural Development of the PRC* (中國住房和城鄉建設部) which came into effect on 1 September 2021; the Jiangxi Province Standard Price of Construction Projects 2017* (2017版《江西省建設工程定額》) issued by the Department of Housing and Urban Rural Development of Jiangxi Province* (江西省住房和城鄉建設廳) which came into effect on 1 December 2017; the Non-ferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Non-ferrous Metals Industry Association (中國有色金屬工業協會) in 2019; or the Code of Bills of Quantities and Valuation for Construction Works* (《建築工程工程量清單計價規範》) (GB50500-2024) issued by the Ministry of Housing and Urban-Rural Development of the PRC* (中國住房和城鄉建設部) which came into effect on 1 September 2025, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable.

Where the PRC government prescribed prices are not applicable and in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing of similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there are no applicable industry or market prices, or in the case of services for which there are no such industry or market pricing, the prices charged by the Group on JCC Group shall not be lower than the prices charged by the Group on its members or determined based on the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

JCC Group shall pay service fees to the Group according to the progress of the projects.

Transportation facilities repair services

The Company agreed to provide various kinds of repair services for transportation facilities to JCC Group. The fees for these services shall be paid by JCC Group on a monthly basis.

The Company will ascertain the industry pricing of similar services at the local market using information obtainable within the industry and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there are no applicable industry or market prices, or in the case of services for which there are no such industry or market pricing, the Group will charge JCC Group prices not lower than the prices charged by the Group on its members or determined based on the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than the prices offered by the Group to Independent Third Parties, where applicable.

Machinery and electrical equipment repair services

The Company agreed to provide machinery and electrical equipment repair services to JCC Group, mainly including repair, care and maintenance of machinery and electrical equipment, processing of machinery and electrical equipment and spare parts, and installation and debugging of machinery and electrical equipment. The fees for these services shall be paid by JCC Group on a monthly basis.

As JCC Group is a large scale industrial enterprise, repair of machinery and electrical equipment needs to be completed within a short period of time in order to avoid any loss caused by disruption. Therefore, determination of price by way of public tender or requests for fee quotation may not be in the best interests of JCC Group as these methods are more time-consuming. The PRC government prescribed prices are the most recognisable public reference which generally reflects market prices. For those services with the PRC government prescribed prices, the fees will be determined with reference to the PRC government prescribed prices published under the Non-standard Equipment Pricing Measures for Nonferrous Metal Industry* (《有色金屬工業非標準設備定價辦法》) of the Nonferrous Metal Industry Construction Works Budget Standard Price 2019* (2019版《有色金屬工業建設工程預算定額》) issued by the China Nonferrous Metals Industry Association (中國有色金屬工業協會) in 2019, which are updated by the relevant PRC central or provincial government departments from time to time; if new industry regulations are promulgated, the new regulations shall prevail. However, sometimes the PRC government prescribed prices may not reflect the market prices and thus may not be applicable.

Where the PRC government prescribed prices are not applicable and in respect of services for which no PRC government prescribed prices are available, the Company will ascertain the industry pricing of similar services at the local market using information obtainable within the industry, and determine prices by referring to such industry pricing, together with the historical pricing based on previous operation experience and current market pricing. If there are no applicable industry or market prices, or in the case of services for which there are no such industry or market pricing, the Group will charge JCC Group prices not lower than the prices charged by the Group on its members or determined based on the costs plus applicable taxes (whichever is higher). In any event, such prices shall not be lower than that offered by the Group to Independent Third Parties, where applicable.

Water supply services

The Company agreed to supply JCC Group with water for industrial use at a fee calculated based on the actual costs, including consumption of materials, salary, surcharges, depreciation, maintenance fees and amortisation of water pipes, plus applicable taxes, and are payable by JCC Group on a monthly basis.

Electricity transmission services

The Company agreed to provide power services, including the electricity transmission services to JCC Group at a fee calculated based on the actual costs plus applicable taxes. The actual costs include the costs of acquisition and transmission of electricity such as consumption of materials, salary, surcharges, depreciation, maintenance fees and amortisation of wires, and are payable by JCC Group on a monthly basis.

Natural gas transmission services

The Company agreed to provide natural gas transmission services to JCC Group at a fee calculated based on the actual costs plus applicable taxes. The actual costs include the costs of acquisition and transmission of natural gas such as consumption of materials, salary, surcharges, depreciation, maintenance fees and amortisation of pipelines, and are payable by JCC Group on a monthly basis.

Environmental hygiene and greenery services

The Company agreed to provide environmental and hygiene services, including sweeping, cleaning and maintenance and construction of greenery areas, to JCC Group in its factory areas at a fee determined based on the actual costs (including the salary payable to cleaning workers according to the labour market rate and the relevant materials fees) and other unforeseeable expenses (including the increase in labour cost resulting from rises in price index, etc.), which are payable by JCC Group on a monthly basis.

Supplied materials processing services

The Company agreed to provide supplied materials processing services to JCC Group, under which the Group will process the copper raw materials provided by JCC Group into copper rod and wire products in accordance with the requests of JCC Group, and determine a fee by referring to the prices charged by the Group on Independent Third Parties, payable by JCC to the Group upon completion of the delivery of products.

Agency services for sales of products and sourcing of raw materials

The Company agreed to provide agency services for sales of products and sourcing of raw materials to JCC Group, including but not limited to sales of sulphuric acid, gold, silver and scattered metals and sourcing of raw materials such as lead and zinc.

JCC Group should pay to the Group such agency service fees regularly pursuant to Agreement 2. In determining the service fees or agency rates for these services, the Company will make reference to local market prices or agency fee rates for similar services provided to Independent Third Parties. If there are no such market prices, the prices will be based on the actual costs incurred in providing such services plus appropriate profits plus applicable taxes. Appropriate profits will be calculated with reference to the actual profit margin applied in trading business of the Group with Independent Third Parties. The profit margin applied in trading business is comparable to that of agency services for sales of products and sourcing of raw materials as the nature, products, procedures and costs involved are substantially the same. The trading business of the Group similarly involves the sourcing of raw materials and sale of products, save for the increased cash flow commitment and risks as the costs would be borne by the Group instead of JCC Group.

Office lease services

The Company agreed to provide office lease services to JCC Group in its office premises including its headquarter and office premises of its subsidiaries and subsidiaries incorporated from time to time located in Beijing, Shanghai, Shenzhen and Chengdu, together with other office facilities and common facilities, and agreed to allow JCC Group to use the public roads, greenery areas, stairs, elevators, car parks, etc. conjoining to the offices it leases. During the subsistence of Agreement 2, JCC Group shall not sub-let such office premises.

In determining the rent and miscellaneous fees, the Company will ascertain the rent of similar type of office premises located in close proximity through market research. The price and terms of the office premises leased by JCC Group from the Group will not be lower than the price and terms offered by the Group to its members and the price and terms offered in the market. The rent and miscellaneous fees shall be paid by JCC Group to the Group within 5 days after the end of each quarter and within 5 days after the end of each month, respectively.

Technology research and development services

The Company agreed to provide technology research and development services to JCC Group. Due to the exclusivity of the technology involved in the research and development services provided by the Group, there are no sufficient comparable transactions in the market available for reference. The fees for these services will be determined with reference to agreements entered into between the Group and Independent Third Parties from time to time for similar technology research and development services.

Under Agreement 2, prices to be charged by the Group in relation to the Group's supply of various materials were determined with reference to (i) the prices quoted on Shanghai Futures Exchange; (ii) market prices charged by the Group to Independent Third Parties; (iii) the prices offered by the Group to its members; (iv) the costs plus applicable taxes payable to the PRC government; and/or (v) profit margin of the same or similar industry as quoted by the PRC government. For the provision of consolidated services, the fees charged by the Group were determined with reference to (i) market prices; (ii) the PRC government prescribed prices; (iii) industry prices; (iv) the cost plus relevant tax; and/or (v) a combination of certain pricing bases as mentioned above.

For the prices to be charged on JCC Group in relation to the supply of materials, they were determined with reference to publicly available market prices on the Shanghai Futures Exchange, which is the exchange commonly used as the benchmark for market price of metals in the PRC, or prices charged on the Independent Third Parties or members of the Group. For office lease services provided to JCC Group, the Group will ascertain from the market the rent of similar type of office in close proximity where the office premises are located and the prices and terms offered to JCC Group will not be lower than the price and terms offered by the Group to its members and the price and terms offered in the market. It is also noted that the pricing terms of the transactions contemplated under the Agreement 2 are substantially similar to the pricing terms of the transactions contemplated under the 2023 Consolidated Supply and Services Agreement II. Based on the above, in particular that (i) the pricing bases are determined where the market prices and industry prices are prioritised (if available); and (ii) the pricing terms are no less favourable to the Group than the terms offered by the Group to Independent Third Parties, the Directors are of the view that such pricing terms are fair and reasonable and on normal commercial terms.

We have obtained and reviewed up to three randomly selected samples of agreements and invoices for each type of historical transactions (where applicable) between the Group and JCC Group under the 2023 Consolidated Supply and Services Agreement II. As advised by the Management, the agreements and invoices were standardised for each type of transactions under the 2023 Consolidated Supply and Services Agreement II. Based on our review of the sample agreements and invoices, we noted that the prices of the materials and services provided to the Group were consistent with the pricing mechanisms as mentioned in Agreement 2. Given that (i) the aforesaid samples are obtained on a random basis covering each type of transactions under the 2023 Consolidated Supply and Services Agreement II, the samples are consistent and did not demonstrate any discrepancy to our understanding on the transactions between the Group and JCC Group; (ii) the transactions under the abovementioned samples were conducted during the term of the 2023 Consolidated Supply and Services Agreement II; and (iii) appropriate internal control measures of the Group were in place to govern the conduct of transactions contemplated under the 2023 Consolidated Supply and Services Agreement II, we consider such review covering the historical period under the 2023 Consolidated Supply and Services Agreement II on a typical case sampling basis on the transactions between the Group and JCC Group to be sufficient and representative from the Independent Financial Adviser's perspective and nothing has come to our attention that causes us to believe that such transactions did not follow the internal control measures.

We have also obtained and reviewed up to three sample agreements entered into between the Group and Independent Third Parties in respect of the supply of similar materials and provision of similar services (if applicable) from the Group and the relevant invoices, where available. Based on our review of the sample agreements and invoices, we noted that the prices charged by the Group to JCC Group were no less favourable than prices charged by the Group to Independent Third Parties. We also noted that the payment terms under Agreement 2 are no less favourable to the Group than those under the aforesaid sample agreements entered into with Independent Third Parties.

Given that the terms provided to JCC Group in relation to the supply of various materials and the provision of services under Agreement 2 will be no less favourable to the Group than those terms provided to Independent Third Parties in respect of similar products, materials and services, and that the prices were generally determined with reference to PRC government prescribed rates, market/industry prices, prices quoted on Shanghai Futures Exchange, on the costs plus basis, or a combination of certain pricing bases as mentioned above, we consider that the pricing bases of Agreement 2 are fair and reasonable.

Other terms

We have reviewed other major terms of Agreement 2 and are not aware of any terms which are exceptional to normal market practice.

Based on the above, we are of the opinion that the terms of Agreement 2 are on normal commercial terms, fair and reasonable so far as the Company and the Independent Shareholders are concerned.

3. Annual caps for the transactions under Agreement 2 for the three years ending 31 December 2029 (the "Annual Caps 2")

Set out below are the historical transaction amounts for the 2023 Consolidated Supply and Services Agreement II for the two years ended 31 December 2025 and the six months ended 30 June 2026 and the Annual Caps 2:

	For the year ended 31 December 2024 *(RMB' million)* *(Actual)*	**For the year ended 31 December 2025** *(RMB' million)* *(Actual)*	**For the six months ended 30 June 2026** *(RMB' million)* *(Actual)*	**For the year ending 31 December 2027** *(RMB' million)* *(Cap)*	**For the year ending 31 December 2028** *(RMB' million)* *(Cap)*	**For the year ending 31 December 2029** *(RMB' million)* *(Cap)*
Transaction amount	3,522.0	2,548.2	1,591.2	N/A	N/A	N/A
Annual cap	4,270.0	4,605.9	4,571.7	5,570.7	6,698.6	6,934.1
Utilisation rate	83.2%	55.3%	69.6% *(Note)*	N/A	N/A	N/A

Note: The estimated utilisation rate for the year ending 31 December 2026 is calculated by dividing the annualised transaction amount for the six months ended 30 June 2026 by the respective cap for the year ending 31 December 2026.

In assessing the fairness and reasonableness of the Annual Caps 2, we have discussed with the Management regarding the principal bases and assumptions adopted in determining the Annual Caps 2.

During our review of the estimation of the Annual Caps 2, we noted that the Annual Caps 2 were primarily determined with reference to the historical transaction amounts under the 2023 Consolidated Supply and Services Agreement II. As illustrated in the above table, the historical transaction amounts for the 2023 Consolidated Supply and Services Agreement II amounted to approximately RMB3,522.0 million, RMB2,548.2 million and RMB1,591.2 million for the two years ended 31 December 2025 and the six months ended 30 June 2026. For illustrative purpose, the annualised transaction amount for the year ending 31 December 2026 (which is calculated based on the amounts received by the Group of approximately RMB1,591.2 million for the six months ended 30 June 2026) amounts to approximately RMB3,182.4 million (the "**Annualised Sales Amount**"), which represents approximately 57.1%, 47.5% and 45.9% of the Annual Caps 2 of approximately RMB5,570.7 million, RMB6,698.6 million and RMB6,934.1 million for each of the three years ending 31 December 2029.

We have reviewed the management schedule of the expected transaction amount under the Annual Caps 2 ("**Annual Caps 2 Schedule**") provided by the Company and noted that such increase is primarily attributable to the expected increase in sales of copper cathode to JCC High Precision Copper Strip Company Limited (江西江銅高精銅板帶有限公司) ("**High Precision Copper Strip Company**"). As advised by the Management, High Precision Copper Strip Company was established in 2022 and is principally engaged in the production of copper strip products, and has been in the construction and trial production phases over the past few years, during which copper cathode of nil and approximately RMB28.8 million was procured from the Group for trial production for the two years ended 31 December 2025. With High Precision Copper Strip Company's official production of copper strip products commenced in 2026, despite its production capacity was still in the ramp-up stage, the procurement of copper cathode from the Group rose significantly to approximately RMB111.4 million for the six months ended 30 June 2026.

Based on the review of the Annual Caps 2 Schedule, we noted that the sales of copper cathode to High Precision Copper Strip Company is expected to increase to RMB720.0 million, RMB1,470.0 million and RMB1,470.0 million for the three years ending 31 December 2029, respectively. We have discussed with the Management and were given to understand that, in view of (i) the renewal of the annual caps; (ii) the long-standing cooperation with the Group and/or their extensive experience in the industry, High Precision Copper Strip Company considered that the Group is more familiar with its relevant requirements, which can help to ensure the quality and duration of procurement; and (iii) the production plan of High Precision Copper Strip Company, the sales of copper cathode to High Precision Copper Strip Company is expected to increase.

We have discussed with the Management and were given to understand that the quality of the copper cathode produced by the Company, which is one of the largest comprehensive copper production enterprises and one of the largest copper processing manufacturers in the PRC, is stable and reliable, with "JCC" (江銅牌) copper cathode having a good reputation and being well-known in the market. Given its increased production capacity, JCC Group inevitably needs to purchase raw materials such as copper cathode in the course of production. As the production units of JCC Group are mainly located in Jiangxi Province, and the largest smelter of the Group is also located in Jiangxi Province, JCC Group could reduce transportation costs by purchasing from the Group. Therefore, as compared with other suppliers in the market, it is expected that JCC Group would be more inclined to purchase copper cathode from the Group.

As advised by the Management, given that JCC Group is a designated lead and zinc production site of Jiangxi local government, its production capacity of lead and zinc mining and smelting business will continue to expand and the demand for lead, zinc and auxiliary materials is expected to increase. Therefore, the Group expects to increase the sales volume of lead materials, which are by-products of the principal products of the Group, to JCC Group which has two lead and zinc smelting plants for further processing of lead materials.

With the increase in revenue and production capacity of the Group, supply of certain products by the Group to JCC Group can enhance the utilisation rate of waste materials generated from the production process of the Group, increase the revenue of the Group, and reduce the costs of handling the waste materials, which aligns with the national environmental policy. As such, the Management considers that it is reasonable to expect that the sales amount to JCC Group would grow and remain high for each of three years ending 31 December 2029. We would like to emphasise that (i) the supply of copper cathode and copper processing products to JCC Group will generate revenue for the Group; and (ii) the supply of waste materials, auxiliary materials and consolidated services to JCC Group will improve the scale and efficiency of the business operations of the Group, hence we are of the view that it is fair and reasonable to determine the Annual Caps 2 according to the Group's sales target, so as not to limit the development of the Group's business in the event that it is able to meet its sales target.

Based on the aforesaid, we consider the bases of determination of the Annual Caps 2 to be fair and reasonable so far as the Independent Shareholders are concerned and the transactions contemplated under Agreement 2 are in the interests of the Company and the Shareholders as a whole.

The Annual Caps 2 are determined by the Management based on the assumptions, which include but are not limited to the current estimation of the transaction amount and market conditions. Accordingly, we express no opinion as to how closely the actual amounts contemplated under the continuing connected transactions in comparison to the Annual Caps 2.

D. THE LAND USE RIGHTS AND PROPERTIES LEASING AGREEMENT

1. Reasons for and benefits of the entering into of the Land Use Rights and Properties Leasing Agreement

The subject land parcel under the Land Use Rights and Properties Leasing Agreement is the same land parcel under the 2023 Land Use Rights Agreement but the leased area of the Land contemplated under the Land Use Rights and Properties Leasing Agreement of approximately 50,419,966.97 square meters is slightly smaller than the leased area of 50,737,714.77 square meters under the 2023 Land Use Rights Leasing Agreement. As advised by the Management, such smaller leased area contemplated under the Land Use Rights and Properties Leasing Agreement was primarily attributable to estimated usage of the Land by the Group from 2027 to 2029.

As disclosed in the Letter from the Board, due to historical factors, some of the office buildings and plants of the Group are built on the land owned by JCC Group. The Group adopting the approach of leasing land from JCC Group can help reduce investment of the Group. As advised by the Management, the Land is currently used by the Group for its production and operations. The production facilities located on the Land account for the majority of the Group's total production capacity in Jiangxi Province, where the headquarter of the Group is located. Having considered that (i) leasing of the Land can help reduce investment of the Group; and (ii) the cost to be incurred and the adverse impact on the Group's operations and production would be substantial, in the event of the relocation of the Group's production facilities located on the Land, we are of the view that the Lease will ensure the stability of the operations and production of the Group without significant cash outflow.

Having considered the above, in particular the fact that the majority of the Group's production facilities are located on the Land and the benefits of maintaining the Lease, we concur with the view of the Directors that the entering into of the Land Use Rights and Properties Leasing Agreement is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

2. Principal terms of the Land Use Rights and Properties Leasing Agreement

Pursuant to the Land Use Rights and Properties Leasing Agreement, JCC agreed to lease the land use rights and properties covering a total area of approximately 50,419,966.97 square meters (including 50,403,196.80 square meters of land and 16,770.17 square meters of properties) to the Company for office use for a leasing term of three years commencing from 1 January 2027 up to 31 December 2029 (the "**Leasing Term**") at an annual rate of approximately RMB195.11 million (equivalent to approximately HK$226.92 million). The actual rate will be calculated in accordance with the actual area leased by the Group. Such rate was arrived at after arm's length negotiations between the Company and JCC with reference to (i) the annual rent of RMB196,222,947.44 for a term of three years commencing from 1 January 2024 up to 31 December 2026 with regard to the land, as provided under the 2023 Land Use Rights Leasing Agreement; (ii) the annual rental of the relevant lands in the range between approximately RMB6.48 per square meter (for areas outside Nanchang region) and RMB28.78 per square meter (for the Nanchang region), as derived, by adoption of the income capitalisation method, from the benchmark land prices promulgated by local governments across Jiangxi Province, with the agreed annual rental of the land under the Land Use Rights and Properties Leasing Agreement in the respective amounts of RMB3.84 outside the Nanchang region and RMB7.2 within the Nanchang region; and (iii) the recent fair transaction prices at the monthly rental in the region of RMB25 per square meter to RMB32 per square meter, with an average of approximately RMB29 per square meter (i.e. being the monthly rental for the office building under the Land Use Rights and Properties Leasing Agreement). The rent shall be payable quarterly during the Leasing Term. The Group shall pay the rent payable for the current quarter to JCC within 15 days after the end of each quarter.

Upon expiry of the Leasing Term, the Company has a preferential right to renew the Land Use Rights and Properties Leasing Agreement.

In assessing whether the rents of the Land under the Land Use Rights and Properties Leasing Agreement for each of the three years ending 31 December 2029 are fair and reasonable, we have reviewed the existing rents paid or payable by the Group for the Land under the 2023 Land Use Rights Agreement and the current minimum land price guidance issued by the PRC government. We noted that the agreed rent per square meter of the Land under the Land Use Rights and Properties Leasing Agreement amount to approximately RMB3.87, which are the same as the rents per square meter of the Land under the 2023 Land Use Rights Agreement of approximately RMB3.87, and are both lower than the current minimum land price guidance issued by the PRC government. We have also reviewed the rental fee of the office building in the nearby locations under the Land Use Rights and Properties Leasing Agreement and noted that the agreed rent of RMB29 per square meter of the office buildings falls within the range of the prevailing market rates for monthly rental fee from approximately RMB24 per square meter to RMB45 per square meter for similar properties in the vicinity.

Given that (i) the actual rents payable under the Land Use Rights and Properties Leasing Agreement is determined in accordance with the actual area used by the Group and the land price guidance of the PRC government; (ii) the rent per square meter of the Land under the 2023 Land Use Rights Agreement and the Land Use Rights and Properties Leasing Agreement are the same; (iii) the agreed rent per square meter of the Land for each of the years ending 31 December 2029 remains lower than the minimum land price guidance issued by the PRC government; and (iv) the agreed rent per square meter of the office buildings for each of the years ending 31 December 2029 are comparable to that of the office buildings in the nearby locations under the Land Use Rights and Properties Leasing Agreement, we are of the view that the basis of determination of the rents under the Land Use Rights and Properties Leasing Agreement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

We have reviewed the other major terms of the Land Use Rights and Properties Leasing Agreement and are not aware of any unusual terms. Given the above, we are of the view that the terms of the Land Use Rights and Properties Leasing Agreement are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned.

3. Financial effects of the Land Use Rights and Properties Leasing Agreement

Under the Land Use Rights and Properties Leasing Agreement, the rent payable for each quarter (after deducting the value-added tax) is RMB46,449,779.57.

Pursuant to IFRS 16, the value of the right-of-use assets recognised by the Group under the Land Use Rights and Properties Leasing Agreement is expected to be RMB521,477,017.30 (including the total expected value of right-of-use assets recognised for land leases of RMB520,224,740.06 and the total expected value of right-of-use assets recognised for building leases of RMB1,252,277.24), which is calculated by discounting the total rent payable for the 12 quarters during the term thereof (after deducting the value-added tax) by an annual interest rate of 4.16%. As disclosed in the Letter from the Board, the interest rate implicit in the lease under the Land Use Rights and Properties Leasing Agreement cannot be determined, the Company adopted the incremental borrowing rate of 4.16% (the "**IBR**") as the discount rate. We have discussed with the Management and were given to understand that such incremental borrowing rate is (i) based on the five-year loan market quotation rate of 3.50% as announced by the People's Bank of China Interbank Funding Centre, and (ii) adjusted upwards according to the borrowing rates of the Group, representing the borrowing rate of the Group for a period similar to the lease term under the Land Use Rights and Properties Leasing Agreement. We have reviewed the 2025 Annual Report and noted that such calculation is in line with the Group's accounting policy. We have also reviewed the banking facilities agreements of the Group provided by the Management and noted that the interest rates were comparatively similar to the IBR.

Having considered the above and the discount rate adopted for the calculation of right-of-use assets under the Land Use Rights and Properties Leasing Agreement is lower than the discount rate for the calculation of right-of-use assets under the 2023 Land Use Rights Leasing Agreement, reflecting the prevailing interest rate environment, we are of the view of the adoption of an IBR of 4.16% as the discount rate is fair and reasonable.

E. INTERNAL CONTROL MEASURES

The Company has adopted the following internal control measures to monitor the pricing policy, mechanism and terms of the Continuing Connected Transactions, so as to ensure that the same are fair and reasonable and that the terms provided to or by the Group are no less favourable than those provided to or by Independent Third Parties (as the case may be), to monitor the annual caps, and to ensure that the Continuing Connected Transactions comply with the requirements of the Listing Rules:

1. the relevant personnel of the Procurement, Sales and Finance Departments of the Company will continuously track the procurement and sales records relating to the Continuing Connected Transactions, and will regularly monitor and review the underlying implementation agreements entered into or separately entered into under the Continuing Connected Transactions, so as to ensure that the terms of the Continuing Connected Transactions comply with the requirements of the Listing Rules;

2. the relevant personnel of the Procurement, Sales and Finance Departments of the Company will monitor the pricing of the relevant integrated materials supply and services on a monthly basis, so as to ensure that the prices of the integrated materials supply and services provided between the Group and JCC Group are on normal commercial terms or better, and that the prices are fair and reasonable and do not deviate from fair market prices;

3. as part of the internal control measures of the Company, the underlying implementation agreements entered into under or separately under the Continuing Connected Transactions are subject to the internal contract approval procedures of the Company, among which the approval of the relevant senior management of the Company is required. All sales and procurement records under the relevant implementation agreements, together with all relevant documents of the contract approval process, are properly kept and available for filing and inspection;

4. all Directors (including the independent non-executive Directors) will seek independent professional advice from external professionals (including legal advisers and auditors) in respect of the relevant Continuing Connected Transactions, when appropriate;

5. the Company has formulated the Rules for Connected Transactions as part of its internal control measures. The finance and securities departments of the Company will review the transaction amounts under the Continuing Connected Transactions and conduct data analysis at least on a semi-annual basis to manage the Continuing Connected Transactions, and will monitor and assess whether the transactions conducted are expected to exceed the annual caps. If necessary, the matter, together with the proposed revised annual caps and other relevant information, will be submitted to the Board for consideration by the Directors (including the independent non-executive Directors) in order to comply with the Listing Rules;

6. the Independent Audit Committee (the Audit Committee) of the Company will convene a meeting annually to discuss and assess the performance of the Continuing Connected Transactions of the Group;

7. the external auditor of the Company will conduct a year-end audit for each financial year, and issue its conclusion and letter to the Board in respect of the annual caps of the Continuing Connected Transactions of the Group for the preceding financial year pursuant to the Listing Rules; and

8. in accordance with the Listing Rules, the independent non-executive Directors will conduct an annual review of the Group's Continuing Connected Transactions for the preceding financial year and confirm the transaction amounts and terms of such transactions in each annual report of the Group.

In view of the above and in particular that the continuing connected transactions under Agreement 1 and Agreement 2 will be subject to annual review of the independent non-executive Directors and the auditors of the Company, we are of the view that appropriate measures will be in place to govern the conduct of the continuing connected transactions under Agreement 1 and Agreement 2 and safeguard the interests of the Independent Shareholders.

RECOMMENDATION

Having considered the principal factors and reasons as discussed above, we are of the view that the Agreements have been entered into in the ordinary and usual course of the Group's business and on normal commercial terms, and the terms thereof together with the Proposed Caps are fair and reasonable so far as the Company and the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to approve the Agreements and the transactions contemplated thereunder (including the Proposed Caps) at the EGM.

Yours faithfully,
For and on behalf of
Lego Corporate Finance Limited
Stanley Ng
Managing Director

Mr. Stanley Ng is a licensed person registered with the Securities and Futures Commission and a responsible officer of Lego Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). He has over 20 years of experience in the accounting and investment banking industries.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, none of the Directors or the chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO); or which were required pursuant to section 352 of Part XV of the SFO, to be entered in the register maintained by the Company referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules.

As at the Latest Practicable Date, none of the Directors of the Company was a director or an employee of a company that had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into any service contract with any member of the Group which does not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

4. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, the date to which the latest published audited financial statements of the Company were made up.

5. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interests in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. INTERESTS OF DIRECTORS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have been acquired or disposed of by or leased to any member of the Group since 31 December 2025 (being the date to which the latest published audited financial statements of the Company were made up) or proposed to be so acquired, disposed of or leased.

As at the Latest Practicable Date, other than Mr. Zhou Shaobing, Mr. Gao Jian-min, Mr. Liang Qing and Mr. Yu Minxin, the executive Directors, and Mr. Miao Shenggang, the employee Director, who are connected directors of JCC, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at the date of this circular which is significant in relation to the business of the Group.

7. EXPERT AND CONSENT

(a) The following is the qualifications of Lego, which has given opinions, letters or advice contained in this circular:

Name	Qualifications
Lego Corporate Finance Limited	a corporation licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

(b) As at the Latest Practicable Date, Lego did not have any shareholding, directly or indirectly, in any member of the Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

(c) As at the Latest Practicable Date, Lego did not have any direct or indirect interests in any assets which have been, since 31 December 2025 (being the date to which the latest published audited financial statements of the Company were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

(d) Lego has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter dated 12 November 2026 and references to its name and logo in the form and context in which they are respectively included.

(e) The letter and recommendation from Lego are given as at the date of this circular for incorporation herein.

8. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.jxcc.com) for a period of 14 days from the date of this circular:

(a) the letter from the Board, the text of which is set out in this circular;

(b) the letter of recommendation from the Independent Board Committee, the text of which is set out in this circular;

(c) the letter of advice from Lego, the text of which is set out in this circular;

(d) the written consent of Lego as referred to in paragraph 7 above; and

(e) the Agreements.

江西銅業股份有限公司
JIANGXI COPPER COMPANY LIMITED

(a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 0358)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of Jiangxi Copper Company Limited (the "**Company**") will be held at the Conference Room of the Company at JCC International Plaza, 7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi, the People's Republic of China (the "**PRC**"), at 2:30 p.m. on Wednesday, 2 December 2026 (or any adjournment thereof) for the purposes of considering and, if thought fit, passing with or without amendment the following resolutions:

ORDINARY RESOLUTIONS

1. "**THAT**

(i) the consolidated supply and services agreement I entered into between the Company and Jiangxi Copper Corporation Limited ("**JCC**") on 30 September 2026 in respect of the supply of various materials and provision of consolidated services by JCC and its subsidiaries from time to time (other than the Company and its subsidiaries from time to time (collectively, the "**Group**")) to the Group (a copy of which marked "A" has been produced to the meeting and signed by the chairman of the EGM for the purpose of identification) ("**Agreement 1**") and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;

(ii) the proposed annual caps regarding Agreement 1 for each of the three financial years ending 31 December 2029 (as set out in the circular of the Company dated 12 November 2026) be and are hereby approved; and

(iii) any director of the Company be and is hereby authorised for and on behalf of the Company to sign, seal, execute, perfect and deliver all such agreements, documents and deeds and to do all such acts, matters and things as he or she may in his or her discretion consider necessary or desirable or expedient for the purpose of or in connection with Agreement 1, the proposed annual caps and the transactions contemplated thereunder and to make and agree to such variations of a non-material nature in or to the terms of Agreement 1 as he or she may in his or her discretion consider to be desirable and in the interests of the Company."

2. "**THAT**

(i) the consolidated supply and services agreement II entered into between the Company and JCC on 30 September 2026 in respect of the supply of various materials and provision of consolidated services by the Group to JCC and its subsidiaries from time to time (other than the Group) (a copy of which marked "B" has been produced to the meeting and signed by the chairman of the EGM for the purpose of identification) ("**Agreement 2**") and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;

(ii) the proposed annual caps regarding Agreement 2 for each of the three financial years ending 31 December 2029 (as set out in the circular of the Company dated 12 November 2026) be and are hereby approved; and

(iii) any director of the Company be and is hereby authorised for and on behalf of the Company to sign, seal, execute, perfect and deliver all such agreements, documents and deeds and to do all such acts, matters and things as he or she may in his or her discretion consider necessary or desirable or expedient for the purpose of or in connection with Agreement 2, the proposed annual caps and the transactions contemplated thereunder and to make and agree to such variations of a non-material nature in or to the terms of Agreement 2 as he or she may in his or her discretion consider to be desirable and in the interests of the Company."

3. "**THAT**

(i) the land use rights and properties leasing agreement entered into between the Company and JCC on 30 September 2026 in relation to the leasing of land use right of the lands and properties covering an area of approximately 50,419,966.97 square meters (comprising land area of 50,403,196.80 square meters and properties area of 16,770.17 square meters) from JCC to the Group for a lease term of three years ending 31 December 2029 (a copy of which marked "C" has been produced to the meeting and signed by the chairman of the EGM for the purpose of identification) (the "**Land Use Rights and Properties Leasing Agreement**") and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed; and

(ii) any director of the Company be and is hereby authorised for and on behalf of the Company to sign, seal, execute, perfect, and deliver all such agreements, documents and deeds and to do all such acts, matters and things as he or she may in his or her discretion consider necessary or desirable or expedient for the purpose of or in connection with the Land Use Rights and Properties Leasing Agreement and the transactions contemplated thereunder and to make and agree to such variations of a non-material nature in or to the terms of the Land Use Rights and Properties Leasing Agreement as he or she may in his or her discretion consider to be desirable and in the interests of the Company."

By Order of the Board
Jiangxi Copper Company Limited
Zhou Shaobing
Chairman

Nanchang, Jiangxi Province, the PRC, 12 November 2026

Notes:

(i) Any shareholder of the Company (the "**Shareholder(s)**") entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote at the EGM on his/her/its behalf in accordance with the articles of association of the Company. A proxy need not be a Shareholder.

(ii) In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or other authorisation document on behalf of the appointer, a notarially certified copy of that power of attorney or authorisation document must be deposited at the Secretariat of the Board of the Company at 3rd Floor, JCC International Plaza, 7666 Chang Dong Avenue, High-tech Development Zone, Nanchang, Jiangxi, the PRC (Postal Code: 330096) (in the case of proxy form of holders of A shares of the Company) or at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in the case of proxy form of holders of H shares of the Company) not less than 24 hours before the time appointed for holding the EGM or 24 hours before the time appointed for taking the poll.

(iii) Shareholders or their proxies shall produce their identity documents when attending the EGM.

(iv) In order to determine the identity of the Shareholders entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 27 November 2026 to Wednesday, 2 December 2026 (both days inclusive), during which period no share transfer will be registered.

(v) Shareholders whose name appear on the register of members of the Company on Friday, 27 November 2026 are entitled to attend and vote at the EGM.

(vi) In order to attend and vote at the EGM, holders of H shares of the Company whose transfers have not been registered shall lodge all transfer documents accompanied by the relevant share certificates, with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 26 November 2026.

(vii) The EGM is expected to take less than half a day. Shareholders or their proxies attending the EGM shall be responsible for their own travel and accommodation expenses.