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

If you have sold or transferred all your shares in MMG Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sales or transfer was effected for transmission to the purchaser or the transferee.

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MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)
(STOCK CODE: 1208)

REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CMN FRAMEWORK OFFTAKE AGREEMENT AND NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



SOMERLEY CAPITAL LIMITED

A letter from the Board is set out on pages 5 to 15 of this circular. A letter from the Independent Board Committee is set out on pages 16 to 17 of this circular. A letter from the Independent Financial Adviser is set out on pages 18 to 30 of this circular.

A notice convening the EGM of MMG Limited to be held at Studio 5, 7/F, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on Thursday, 29 October 2026 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular.

Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, 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 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the proxy form shall be deemed to be revoked.

14 October 2026

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	5
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	16
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	18
APPENDIX I — GENERAL INFORMATION	I-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	EGM-1

DEFINITIONS

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

“2014 Circular”	the circular issued by the Company on 30 June 2014 in relation to, among others, the continuing connected transactions in relation to the CMN Framework Offtake Agreement;
“Album Enterprises”	Album Enterprises Limited, a wholly-owned subsidiary of CMN and a controlling shareholder of the Company holding approximately 63.72% of the total number of Shares in issue as at the Latest Practicable Date;
“Board”	the board of directors of the Company;
“CMC”	中國五礦集團有限公司 (China Minmetals Corporation), a state-owned enterprise incorporated under the laws of the PRC and the ultimate controlling shareholder of the Company;
“CMC Group”	CMC and its subsidiaries and associates from time to time (excluding the Group);
“CMCL”	中國五礦股份有限公司 (China Minmetals Corporation Limited), a joint stock limited company incorporated under the laws of the PRC and owned as to approximately 87.538% by CMC and as to approximately 0.846% directly by 五礦(北京)五金製品有限公司 (Minmetals (Beijing) Metal Products Co., Ltd.), a wholly-owned subsidiary of CMC. CMC has an attributable interest of approximately 88.384% directly in CMCL as at the Latest Practicable Date;
“CMN”	五礦有色金屬股份有限公司 (China Minmetals Non-ferrous Metals Co., Ltd), a company incorporated under the laws of the PRC and the controlling shareholder of the Company;
“CMN Framework Offtake Agreement”	the framework offtake agreement dated 27 June 2014 and entered into between CMN and MMG SA in relation to the sale by MMG SA to members of the CMN Group of copper concentrate from the Las Bambas Project to be purchased by MMG SA from the JV Company under the MMG Framework Offtake Agreement;
“CMN Group”	CMN and its subsidiaries and associates from time to time (excluding the Group);

DEFINITIONS

“Company”	MMG Limited, a company incorporated in Hong Kong, the securities of which are listed and traded on the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held at Studio 5, 7/F, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on Thursday, 29 October 2026 at 10:00 a.m., a notice of which is set out on pages EGM-1 to EGM-2 of this circular;
“Existing CMN Annual Caps”	the existing maximum aggregate annual amount of copper contained in copper concentrate from the Las Bambas Project to be sold by MMG SA to members of the CMN Group under the CMN Framework Offtake Agreement, as set out in the Company’s circular dated 30 June 2014;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	an independent committee of the Board comprising all of the independent non-executive Directors, namely, Mr LEUNG Cheuk Yan, Dr Peter William CASSIDY, Mr CHAN Ka Keung, Peter and Ms CHEN Ying established to advise the Independent Shareholders in respect of the Revised CMN Annual Caps;
“Independent Financial Adviser”	Somerley Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Revised CMN Annual Caps;
“Independent Shareholders”	Shareholders other than CMN and its associates;
“Interested Directors”	ZHANG Shuqiang, CAO Liang, ZHAO Jing Ivo, QIAN Song, and YUE Wenjun;
“JV Company”	MMG South America Management Company Limited, a company incorporated on 11 February 2014 in Hong Kong with limited liability, a non wholly-owned subsidiary of the Company as at the Latest Practicable Date;

DEFINITIONS

“Las Bambas Project”	the development, construction and operation of the copper mines, processing facilities and associated infrastructure at the Las Bambas copper project located in the Apurimac region in Peru, together with all activities and infrastructure associated with the transportation and export of products from such mines;
“Latest Practicable Date”	9 October 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Minmetals HK”	China Minmetals H.K. (Holdings) Limited; an indirect subsidiary of CMN and a controlling shareholder of the Company holding approximately 63.72% of the total number of Shares in issue as at the Latest Practicable Date;
“MMG Framework Offtake Agreement”	the framework offtake agreement dated 27 June 2014 and entered into between MMG SA and the JV Company in relation to the sale of the products from the Las Bambas Project;
“MMG SA”	MMG South America Company Limited, a company incorporated on 4 May 1990 in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and a shareholder of the JV Company;
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan);
“Revised CMN Annual Caps”	the revised CMN Annual Caps under the CMN Framework Offtake Agreement for the two years ending 31 December 2026 and 31 December 2027 in the respective amounts proposed in this circular;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	fully paid share(s) of the Company;
“Shareholder(s) ”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and

DEFINITIONS

“Top Create” Top Create Resources Limited, a wholly-owned subsidiary of CMN.

Unless otherwise stated, all references to a time or date in this circular are references to Hong Kong time and date.

LETTER FROM THE BOARD



MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

Chairman:

CAO Liang (*Non-executive Director*)

Executive Directors:

ZHAO Jing Ivo

QIAN Song

Non-executive Directors:

ZHANG Shuqiang

YUE Wenjun

Independent Non-executive Directors:

LEUNG Cheuk Yan

Peter William CASSIDY

CHAN Ka Keung, Peter

CHEN Ying

Registered Office:

Unit 1208

12/F

China Minmetals Tower

79 Chatham Road South

Tsimshatsui

Kowloon

Hong Kong

14 October 2026

To the Shareholders

Dear Sir or Madam,

**REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED
TRANSACTIONS IN RELATION TO THE CMN FRAMEWORK
OFFTAKE AGREEMENT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 13 October 2026 in relation to the proposed revision of annual caps for continuing connected transactions in relation to the CMN Framework Offtake Agreement. The purpose of this circular is to provide Shareholders with, among other things:

- (i) further details of the Revised CMN Annual Caps;

LETTER FROM THE BOARD

- (ii) a letter from the Independent Board Committee to the Independent Shareholders containing its recommendation in respect of the adoption of the Revised CMN Annual Caps;
- (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its recommendation in respect of the adoption of the Revised CMN Annual Caps; and
- (iv) the notice of the EGM, where an ordinary resolution will be proposed to approve the adoption of the Revised CMN Annual Caps.

2. PROPOSED REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CMN FRAMEWORK OFFTAKE AGREEMENT

Introduction

Reference is made to the 2014 Circular. MMG SA entered into the CMN Framework Offtake Agreement with CMN on 27 June 2014, pursuant to which CMN would purchase or would procure other members of the CMN Group to purchase, and MMG SA would sell, a portion of the copper concentrate that MMG SA had purchased from the JV Company pursuant to the MMG Framework Offtake Agreement.

Revision of the Existing CMN Annual Caps

In 2014, the Company applied for, and the Stock Exchange granted, a waiver from strict compliance with the Rule 14A.53 of the Listing Rules such that the Existing CMN Annual Caps can be expressed, instead of as a fixed monetary amount, as a fixed quantity of contained copper in copper concentrate to be sold each year over the duration of the CMN Framework Offtake Agreement.

As stated in the section headed “Reasons for and benefits of the adoption of the Revised CMN Annual Caps” in this circular, projected annual production volumes at the Las Bambas mine have increased above those estimated in 2014 at the time of the adoption of the Existing CMN Annual Caps. The Revised CMN Annual Caps need to be adopted to take into account the expected production volumes at Las Bambas, and so that the Group can meet its contractual obligation to CMN to deliver 57.31% of the annual production of copper concentrate at Las Bambas, and to ensure ongoing committed revenue streams arising from sales to the CMN Group.

LETTER FROM THE BOARD

Historical Transaction Quantities

For the years ended 31 December 2023, 2024, 2025 and the six months ended 30 June 2026, the transaction quantity of tonnes of contained copper in copper concentrate delivered under the CMN Framework Offtake Agreement was as follows:

Year	2023	2024	2025	1H2026
Existing CMN Annual Caps (in '000 tonnes of copper contained in copper concentrate)	277	277	277	224
Tonnes delivered to CMN (in '000 tonnes of copper contained in copper concentrate)	213	178	234	127
Utilisation rate	76.9%	64.3%	84.5%	56.7%

The Company also confirms that as at the Latest Practicable Date, the actual transaction quantity under the CMN Framework Offtake Agreement has not exceeded the Existing CMN Annual Cap for the year ending 31 December 2026.

Revised CMN Annual Caps

Notwithstanding the historical utilisation rates of the Existing CMN Annual Caps, for the reasons set out below, the Board resolved to revise the Existing CMN Annual Caps for the transactions contemplated under the CMN Framework Offtake Agreement for each of the two years ending 31 December 2026 and 31 December 2027 as follows:

Year	2026	2027
Existing CMN Annual Caps (in '000 tonnes of copper contained in copper concentrate)	224	224
Revised CMN Annual Caps (in '000 tonnes of copper contained in copper concentrate)	250	264

The Revised CMN Annual Caps have been determined with reference to (a) the highest expected annual production volume of copper contained in copper concentrate of the Las Bambas Project in each year as determined by the Group; (b) a buffer in the event of over-production; and (c) the portion of the copper contained in copper concentrate to be sold to

LETTER FROM THE BOARD

CMN by MMG SA under the CMN Framework Offtake Agreement, being approximately 57.31% of the total copper contained in copper concentrate produced from the Las Bambas mine. The detailed calculations are set out below:

Year	2026	2027
Highest expected production volume of copper (in tonnes of copper contained in copper concentrate)	400,000	400,000
Multiplied by CMN offtake proportion	57.31%	57.31%
Expected annual transaction volume (in tonnes of copper contained in copper concentrate)	229,240	229,240
Over-production buffer	9.0%	15.0%
Over-production buffer (in tonnes of copper contained in copper concentrate)	20,632	34,386
Calculated annual cap (in tonnes of copper contained in copper concentrate)	249,872	263,626
Proposed Revised CMN Annual Cap (in tonnes of copper contained in copper concentrate)	250,000	264,000

Note: The production volume used in determining the annual cap is based on the Company's current planning assumptions and expectations regarding production at Las Bambas. The assumptions used for determining the annual cap should not be interpreted as formal production guidance.

The lower buffer adopted for 2026 reflects that there are less than four months remaining in 2026 at the time the Revised CMN Annual Caps were proposed and therefore there was greater visibility over actual production and sales volumes. A higher buffer of 15% has been adopted for 2027 to provide flexibility for potential variations in production and sales volumes over a full financial year.

The Existing CMN Annual Caps were determined by reference to estimates of copper concentrate production in 2014, which was prior to the commencement of commercial production at Las Bambas. The Existing CMN Annual Caps have been adopted for 5 year periods, with a cap for 2021 to 2025 of 277,000 tonnes of copper in copper concentrate. Based on the information available to the Company in 2014, the Existing CMN Annual Caps for the following 5 year period are 224,000 tonnes of copper in copper concentrate. Since production has commenced at Las Bambas, the Group has undertaken additional development work and projected annual production volumes have now increased.

At the commencement of each financial year, the Company provides guidance to the market in relation to expected production of metals from each of its mine sites across the Group. In the Quarterly Production Report published on the Stock Exchange website on 21 April 2026, it was disclosed that the Las Bambas mine is targeting the production of 380,000 to 400,000 tonnes of copper contained in copper concentrate during 2026, which target it is on track to meet. In determining the Revised CMN Annual Cap for 2027, the Company has applied a maximum planning assumption of 400,000 tonnes of copper contained in copper concentrate, having regard to its current expectations regarding production at Las Bambas. Such

LETTER FROM THE BOARD

assumption should not be regarded as formal production guidance for 2027. As CMN has committed to buy 57.31% of the total copper contained in copper concentrate produced from the Las Bambas mine to CMN under the CMN Framework Offtake Agreement, the revision of the Existing CMN Annual Caps is required.

For the avoidance of doubt, the Existing CMN Annual Caps applicable from 2028 until 2034 are set out below, which remain the same as set out in the 2014 Circular:

Year	2028-2030	2031-2034
Existing CMN Annual Caps (in '000 tonnes of copper contained in copper concentrate)	224	146

As mentioned above, the Revised CMN Annual Caps have been determined based on, amongst others, the expected annual production volume of copper contained in copper concentrate of the Las Bambas Project for 2026-2027. The Company has not finalised its expected annual production volumes for 2028 onwards for the purpose of determining whether any revision to the relevant annual caps is required. Any internal estimates for such periods remain preliminary, are subject to ongoing review and may change having regard to the Company's business plans, operating conditions and other relevant factors. The Company will continue to monitor the position and, if a revision to any annual cap becomes necessary, will comply with the applicable requirements of the Listing Rules.

Principal Terms of the CMN Framework Offtake Agreement

The terms of the CMN Framework Offtake Agreement have not been materially changed or amended, and the principal terms are set out below:

Under the CMN Framework Offtake Agreement, CMN agreed to purchase, or procure members of the CMN Group to purchase, an initial approximately 77.71% of the copper concentrate acquired by MMG SA from the Las Bambas Project under the MMG Framework Offtake Agreement, representing approximately 57.31% of the total copper concentrate production of the Las Bambas Project. The CMN Framework Offtake Agreement does not prescribe fixed annual quantities of copper concentrate to be sold, but instead provides for a percentage-based offtake entitlement.

Pricing Basis

Copper concentrate is required to be sold on an arm's length basis and on terms consistent with prevailing international market rates for comparable copper concentrates. The selling price is determined by reference to:

- the value of the payable copper, silver and gold contained in the concentrate;
- the relevant metal prices, including the London Metal Exchange copper price and London market silver and gold prices; and

LETTER FROM THE BOARD

- deductions for treatment and refining charges, which are negotiated periodically based on prevailing international market conditions for comparable copper concentrates.

Metal content is determined by assaying shipment samples in accordance with standard international practice, while metal payment percentages and treatment and refining charges are required to reflect normal commercial terms and be subject to MMG's internal approval procedures.

Payment and Settlement Mechanism

The CMN Framework Offtake Agreement provides that individual sale and purchase transactions would be effected through separate sale agreements entered into from time to time. Such sale agreements were required to contain customary international copper concentrate trading terms, including provisions relating to metal payments, treatment and refining charges, quotational periods, payment terms, weights and assays, title and risk transfer, insurance requirements, and other customary settlement arrangements applicable to international copper concentrate sales.

Subsequently, pursuant to the CMN Copper Concentrate Offtake Agreement entered into on 11 January 2016, shipment settlement was conducted using customary industry practices involving provisional and final payments, with amounts calculated by reference to shipment quantities, assay results and applicable pricing during the agreed quotational period.

Duration

The term of the CMN Framework Offtake Agreement commenced from the start of commercial production of the Las Bambas Project and continues until the end of the mine life of the Las Bambas Project.

Under Rule 14A.52 of the Listing Rules, the term of an agreement governing a continuing connected transaction must not exceed three years except in special circumstances. As the term of the CMN Framework Offtake Agreement exceeds three years, the Company has appointed the Independent Financial Adviser to explain why a longer period is required and to confirm that it is normal business practice for agreements of this type to be of such duration.

The Independent Financial Adviser, in rendering its opinion pursuant to Rule 14A.52 of the Listing Rules, has taken into account the following factors as further detailed in the letter from the Independent Financial Adviser:

- Mining projects are capital-intensive and have long lifespans. Securing a buyer for the entire or most of the output of a mine helps de-risk the project.

LETTER FROM THE BOARD

- A life-of-mine offtake agreement not only locks in a market for the mine's products and shields the operator from the risk of being unable to sell its output if market demand drops but also helps enhance the confidence of the financiers towards the project and secure financing.
- Life-of-mine offtake arrangements were not uncommon when the Group entered into the CMN Framework Offtake Agreement in 2014, and there is also a recent December 2025 precedent of a life-of-mine offtake agreement.

Having considered the principal factors discussed above, the Independent Financial Adviser is of the view that a longer period is required and that it is normal business practice for the Company for the CMN Framework Offtake Agreement to be of such duration. The Directors (including the independent non-executive Directors but excluding the Interested Directors) concur with the view of the Independent Financial Adviser.

Termination Arrangements

The CMN Framework Offtake Agreement is subject to customary termination rights, including:

- events resulting in the early closure of the Las Bambas mine; and
- any member of the Group ceasing to be a shareholder of the joint venture company holding the Las Bambas Project.

In addition, if either party considered itself to be commercially disadvantaged by the agreed offtake quantity, the parties could request a review of the quantity allocation and agree adjustments by mutual consent, subject to compliance with applicable Listing Rules requirements.

Review by independent non-executive Directors

The transactions under the CMN Framework Offtake Agreement are subject to the reporting requirements, and the independent non-executive Directors will continue to conduct an annual review of the transactions to assess whether the relevant transactions are conducted in accordance with the terms (including the pricing mechanism) as set out in the CMN Framework Offtake Agreement.

The Directors (including the independent non-executive Directors but excluding the Interested Directors) consider that the internal controls system of the Group is adequate to ensure that such transactions will continue to be on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Reasons for and benefits of the adoption of the Revised CMN Annual Caps

Since 2014, the Group has undertaken additional development work at the Las Bambas mine in order to operate the Las Bambas Project at the best possible production rate with a view to releasing the potential benefits that Las Bambas Project may bring to the Group. As a result, the projected annual production volumes at the Las Bambas mine have increased above those estimated in 2014.

At the same time, fluctuations in production do occur from month to month and from year to year, depending on factors including level of the mining activity, variation in grades of the relevant products, operating variability of the processing plant and any unforeseeable operating and market circumstances, all of which are subject to revisions or updates over the normal course of business operations.

In view of the above, the Revised CMN Annual Caps are proposed to ensure that the Group can meet its contractual obligation to CMN to deliver 57.31% of the annual production of copper concentrate at Las Bambas, and to ensure committed revenue streams arising from sales to the CMN Group. The Revised CMN Annual Caps will accommodate the forecast production at the Las Bambas mine.

The Directors (including the independent non-executive Directors but excluding the Interested Directors) are of the view that (i) the Revised CMN Annual Caps and the terms of the CMN Framework Offtake Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) the CMN Framework Offtake Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms in the ordinary and usual course of business of the Group.

The Interested Directors, each holding position(s) at CMC and/or CMN, have abstained from voting on the Board resolution approving the Revised CMN Annual Caps in order to avoid any possible conflict of interest issue.

Internal controls procedures

In addition to the descriptions above in respect of the determination of and compliance with the Revised CMN Annual Caps, to ensure that the transactions contemplated under the CMN Framework Offtake Agreement, and all of the Company's continuing connected transactions, are conducted in accordance with the terms of the relevant agreements on normal or better commercial terms and are in the interests of the shareholders of the Company as a whole, and compliance with the annual caps, the Company has adopted the following internal controls procedures:

- The Company's marketing and sales department continuously monitors the production performance of the Las Bambas mine and the outlook of the global copper concentrate and relevant metal markets against the relevant annual caps of the applicable sales agreement. Any change which may potentially affect an annual cap is reported to senior management and the Board in a timely manner.

LETTER FROM THE BOARD

- The Company's marketing and sales department ensures that the pricing of each delivery of the relevant product is determined in accordance with the terms of the applicable sales agreement.
- As such sales agreements are a core component of the Company's business, the Company's senior management has sufficient market knowledge and access to data, which enables them to assess changes to the production performance of the Las Bambas mine, whether the terms of each sales agreement are on normal commercial terms and whether the annual caps are appropriately determined.
- All of the Company's continuing connected transactions, including their annual caps, are annually reviewed and discussed by the independent non-executive Directors of the Company, to confirm that the transactions are in the ordinary and usual course of business of the Company, on normal commercial terms or better, in accordance with the terms of the relevant agreements of the Company, fair and reasonable and in the interests of the Shareholders.
- The independent auditor of the Company conducts an annual review of the transactions and provides a written confirmation to the Board before release of the Company's annual report.

Implications under the Listing Rules

CMN is a controlling shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. As a result, the CMN Framework Offtake Agreement constitutes a continuing connected transaction for the Company.

As the highest applicable percentage ratio in respect of the CMN Framework Offtake Agreement is more than 5%, the CMN Framework Offtake Agreement constitutes a continuing connected transaction which is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. In respect of the Revised CMN Annual Caps, pursuant to Rule 14A.54(1) of the Listing Rules, the Company is required to re-comply with the reporting, announcement and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Information about the Group

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

Information about the CMC Group

The CMC Group is one of the largest state-owned enterprises in the mining sector in China. It is engaged in the exploration, development, mining, processing and sale of a wide range of non-ferrous metals including tungsten, rare earth, copper, alumina, lead and zinc.

LETTER FROM THE BOARD

Independent Board Committee and Independent Financial Adviser

Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Revised CMN Annual Caps.

The Independent Board Committee, comprising all independent non-executive Directors has been established to advise the Independent Shareholders on the fairness and reasonableness of the adoption of the Revised CMN Annual Caps, after taking into account the recommendations of the Independent Financial Adviser.

3. EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held at Studio 5 , 7/F, W Hong Kong, 1Austin Road West, Kowloon Station, Kowloon, Hong Kong on Thursday, 29 October 2026 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, 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 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, no Shareholder, other than Minmetals HK which is a subsidiary of CMC, has a material interest in the adoption of the Revised CMN Annual Caps. As such, no Shareholder, other than Minmetals HK, is required to abstain from voting with respect to the adoption of the Revised CMN Annual Caps at the EGM pursuant to the Listing Rules.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the EGM. An announcement on the results of the voting by poll will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Independent Board Committee, having taken into account of, and based on the recommendation of the Independent Financial Adviser, considers that (i) the Revised CMN Annual Caps and the terms of the CMN Framework Offtake Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) the CMN Framework Offtake Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms in the ordinary and usual course of business of the Group.

LETTER FROM THE BOARD

Accordingly, the Independent Board Committee has recommended the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the adoption of the Revised CMN Annual Caps.

4. ADDITIONAL INFORMATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 16 to 17 of this circular, containing its recommendation in respect of the adoption of the Revised CMN Annual Caps; (ii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 18 to 30 of this circular, containing its recommendation in respect of the adoption of the Revised CMN Annual Caps; and (iii) the additional information set out in the appendices to this circular.

By Order of the Board
MMG Limited
CAO Liang
Chairman and Non-executive Director



MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

14 October 2026

To the Independent Shareholders

Dear Sir or Madam,

**REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED
TRANSACTIONS IN RELATION TO THE CMN FRAMEWORK
OFFTAKE AGREEMENT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

We refer to the circular dated 14 October 2026 issued by the Company (the “Circular”) of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein, unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to advise the Independent Shareholders as to whether, in its opinion, the Revised CMN Annual Caps, details of which are set out in the “Letter from the Board” in the Circular, and the terms of the CMN Framework Offtake Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and the CMN Framework Offtake Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms in the ordinary and usual course of business of the Group. Somerley Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to (i) the “Letter from the Board” set out on pages 5 to 15 of the Circular; (ii) the “Letter from the Independent Financial Adviser” set out on pages 18 to 30 of the Circular and (iii) the additional information set out in the Appendix I to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, having taken into account of, and based on, the advice of the Independent Financial Adviser, considers that (i) the Revised CMN Annual Caps and the terms of the CMN Framework Offtake Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) the CMN Framework Offtake Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms in the ordinary and usual course of business of the Group. The Independent Financial Adviser recommends the Independent Board Committee to recommend, and the Independent Financial Adviser itself recommends, the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the EGM in relation to the Revised CMN Annual Caps.

Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant ordinary resolution to be proposed at the EGM to approve the adoption of the Revised CMN Annual Caps for the CMN Framework Offtake Agreement.

Yours faithfully,
For and on behalf of
the Independent Board Committee
LEUNG Cheuk Yan
Peter William CASSIDY
CHAN Ka Keung, Peter
CHEN Ying
Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from Somerley Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the Revised CMN Annual Caps under the CMN Framework Offtake Agreement, which has been prepared for the purpose of inclusion in this circular.



SOMERLEY CAPITAL LIMITED

20th Floor
China Building
29 Queen's Road Central
Hong Kong

14 October 2026

To : The Independent Board Committee and the Independent Shareholders of MMG Limited

Dear Sirs,

REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE CMN FRAMEWORK OFFTAKE AGREEMENT

INTRODUCTION

We refer to our appointment by the Company to advise the Independent Board Committee and the Independent Shareholders in connection with the proposed revision of annual caps for continuing connected transactions and the duration in relation to the CMN Framework Offtake Agreement. Details of which are set out in the letter from the Board contained in the circular of the Company to the Shareholders dated 14 October 2026 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On 27 June 2014, MMG SA entered into the CMN Framework Offtake Agreement with CMN, pursuant to which CMN would purchase or would procure other members of the CMN Group to purchase, and MMG SA would sell, a portion of the copper concentrate that MMG SA had purchased from the JV Company pursuant to the MMG Framework Offtake Agreement.

CMN is a controlling shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. As a result, the CMN Framework Offtake Agreement constitutes a continuing connected transaction for the Company. As the highest applicable percentage ratio in respect of the CMN Framework Offtake Agreement is more than 5%, the CMN Framework Offtake Agreement constitutes a continuing connected transaction which is subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. In respect of the Revised CMN Annual Caps, pursuant to Rule 14A.54(1) of the Listing Rules, the Company is required to re-comply with the reporting, announcement and shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all independent non-executive Directors has been established to advise the Independent Shareholders on the fairness and reasonableness of the adoption of the Revised CMN Annual Caps. We, Somerley Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in the same regard.

Furthermore, under Rule 14A.52 of the Listing Rules, the term of an agreement governing a continuing connected transaction must not exceed three years except in special circumstances. As the term of the CMN Framework Offtake Agreement exceeds three years, we are appointed by the Company to explain why a longer period is required and to confirm that it is normal business practice for agreements of this type to be of such duration.

We are not associated with the Company, CMN, or their respective substantial shareholders or associates and accordingly are considered eligible to give independent advice on the above matters. Apart from the normal professional fees payable to us in connection with this and similar appointments, no arrangement exists whereby we will receive any fees or benefits from the Company, CMN, or their respective substantial shareholders or associates.

During the past two years, Somerley Capital Limited acted as the independent financial adviser to issue opinion letters regarding the duration of the continuing connected transactions, one of which was announced on 21 May 2026 and the other one is yet to be announced. The engagements are limited to providing independent advisory services to the Company pursuant to the Listing Rules. Under such engagement, we have received/will receive normal professional fees from the Company. Notwithstanding such engagement, as at the Latest Practicable Date, there were no relationships or interests between Somerley Capital Limited on one hand and the Group, CMN and their respective substantial shareholders and/or associates on the other hand that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and Independent Shareholders in connection with the Revised CMN Annual Caps under the CMN Framework Offtake Agreement.

In formulating our opinion and recommendation, we have reviewed, among others, the CMN Framework Offtake Agreement, and the annual reports of the Company for the year ended 2023 to 2025. We have also discussed with and reviewed information provided by the management of the Group regarding the basis for estimating the Revised CMN Annual Caps.

We have relied on the information and facts supplied, and the opinions expressed to us, by the management of the Group which have been assumed to be true, accurate, and complete and will remain true, accurate and complete up to the time of the EGM. We have also sought and received confirmation from the Company that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to believe that any material information has been withheld from us, or to doubt the truth, accuracy or completeness of the information provided. We have relied on such information and consider that the information we have received is sufficient for us to reach an informed view. We have not, however, conducted any independent investigation into the business and affairs of the Group, nor have we carried out any independent verification of the information supplied.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation as regards the Revised CMN Annual Caps, we have taken into account the principal factors and reasons set out below:

1. Information about the Group and the CMC Group

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

The CMC Group is one of the largest state-owned enterprises in the mining sector in China. It is engaged in the exploration, development, mining, processing and sale of a wide range of non-ferrous metals including tungsten, rare earth, copper, alumina, lead and zinc.

2. Principal terms of the CMN Framework Offtake Agreement

As stated in the letter from the Board, the terms of the CMN Framework Offtake Agreement have not been materially changed or amended, and the principal terms are set out below:

Under the CMN Framework Offtake Agreement, CMN agreed to purchase, or procure members of the CMN Group to purchase, an initial approximately 77.71% of the copper concentrate acquired by MMG SA from the Las Bambas Project under the MMG Framework Offtake Agreement, representing approximately 57.31% (the "**Offtake Percentage**") of the total copper concentrate production of the Las Bambas Project. The CMN Framework Offtake Agreement does not prescribe fixed annual quantities of copper concentrate to be sold, but instead provides for a percentage-based offtake entitlement.

Pricing Basis

Copper concentrate is required to be sold on an arm's length basis and on terms consistent with prevailing international market rates for comparable copper concentrates. The selling price is determined by reference to:

- the value of the payable copper, silver and gold contained in the concentrate;
- the relevant metal prices, including the London Metal Exchange copper price and London market silver and gold prices; and
- deductions for treatment and refining charges, which are negotiated periodically based on prevailing international market conditions for comparable copper concentrates.

Metal content is determined by assaying shipment samples in accordance with standard international practice, while metal payment percentages and treatment and refining charges are required to reflect normal commercial terms and be subject to MMG SA's internal approval procedures.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Payment and Settlement Mechanism

The CMN Framework Offtake Agreement provides that individual sale and purchase transactions would be effected through separate sale agreements entered into from time to time. Such sale agreements were required to contain customary international copper concentrate trading terms, including provisions relating to metal payments, treatment and refining charges, quotational periods, payment terms, weights and assays, title and risk transfer, insurance requirements, and other customary settlement arrangements applicable to international copper concentrate sales.

Subsequently, pursuant to the CMN Copper Concentrate Offtake Agreement entered into on 11 January 2016, shipment settlement was conducted using customary industry practices involving provisional and final payments, with amounts calculated by reference to shipment quantities, assay results and applicable pricing during the agreed quotational period.

Duration

The term of the CMN Framework Offtake Agreement commenced from the start of commercial production of the Las Bambas Project and continues until the end of the mine life of the Las Bambas Project.

Termination Arrangements

The CMN Framework Offtake Agreement is subject to customary termination rights, including:

- events resulting in the early closure of the Las Bambas mine; and
- any member of the Group ceasing to be a shareholder of the joint venture company holding the Las Bambas Project.

In addition, if either party considered itself to be commercially disadvantaged by the agreed offtake quantity, the parties could request a review of the quantity allocation and agree adjustments by mutual consent, subject to compliance with applicable Listing Rules requirements.

Detailed terms of the CMN Framework Offtake Agreement and the relevant fairness opinion are set out in the 2014 Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Our review of pricing basis

In January 2016, MMG SA and CMN entered into a long form sale agreement (the “**Long Form Sale Agreement**”) for the sale and purchase of copper concentrates from the Las Bambas Project, pursuant to which pricing of copper concentrates shall be determined by reference to the content of copper, silver and gold in the copper concentrates and the relevant metal prices quoted on the London Metal Exchange or other relevant London markets, subject to treatment and refining charges being consistent with those prevailing in the international market for comparable products. The prices of copper concentrates will be determined by reference to the copper price quoted on the London Metal Exchange and the silver and gold prices quoted on other relevant London markets, averaged over a quotational period to be agreed in advance. We have reviewed the Long Form Sale Agreement and the recent historical sales contracts entered into between the Group and independent third parties and noted that the pricing basis thereunder are largely the same except for the quotational periods. As advised by the management of the Group, the quotational periods of the metal prices were subject to negotiations between the Group and the independent third parties for each contract, similar to those under the Long Form Sale Agreement. We have also reviewed the back-to-back contracts entered into between the Group and the JV Company for the procurement of the copper concentrate by the Group from the JV Company and noted that the pricing basis (including the quotational period) under the Long Form Sale Agreement and the sales contracts between the Group and the independent third parties are equivalent to the aforesaid corresponding back-to-back contracts.

Treatment and refining charges will be negotiated between the parties on an annual basis or as otherwise agreed and shall be consistent with the relevant charges prevailing in the international market. Therefore, such Long Form Sale Agreement was supplemented from time to time to reflect the changes in the treatment and refining charges. We also reviewed the annual treatment and refining charges deductible from the copper prices in each sales invoice and checked against the Copper Concentrates Market Outlook Report published by the CRU Group, an independent global leader in market analysis, price assessments, consulting and events for mining, metals and fertilizers, in December 2025. It is noted that the annual treatment and refining charges deductible from the copper prices in each of the sales invoices were equivalent to the annual benchmark treatment and refining charges set out in the aforementioned report from 2023 to 2025.

Our discussion on the pricing basis and terms of the recent historical sales contracts are set out in section 4 below. Based on the above, we consider the pricing basis under the CMN Framework Offtake Agreement to be fair and reasonable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Our review of duration

Mining projects are capital-intensive and have long lifespans. Securing a buyer for the entire or most of the output of a mine helps de-risk the project. A life-of-mine offtake agreement not only locks in a market for the mine's products and shields the operator from the risk of being unable to sell its output if market demand drops but also helps enhance the confidence of the financiers towards the project and secure financing.

In considering the duration of the CMN Framework Offtake Agreement, we have reviewed publications made by companies (excluding the Company) listed on the Stock Exchange principally engaged in the mining, processing, production or trading of metal products with respect to the sale and purchase of metal products for a term equivalent to life-of-mine that we are able to identify from the website of the Stock Exchange during the one-year period before the date of CMN Framework Offtake Agreement. Based on the above criteria, we identified 5 comparable transactions, details of which are set out below:

Date	Publication	Name of listed companies (stock code)	Transaction description
16 April 2014	Annual report for 2013	Shougang Concord International Enterprises Company Limited ⁽¹⁾ (697)	Sale of iron ore to the listed group
20 March 2014	Interim report for 2013	APAC Resources Limited (1104)	Sale of iron ore to the listed group
9 December 2013	Interim report for 2013	China Dynamics (Holdings) Limited ⁽²⁾ (476)	Sale of copper ores to the listed group
30 August 2013	Circular	Jinchuan Group International Resources Co. Ltd. (2362)	Sale of cobalt carbonate and/or cobalt hydroxide to the listed group
25 July 2013	Announcement	Glencore Xstrata plc ⁽³⁾ (805)	Sale of copper and cobalt product to the listed group

Notes:

(1) It is currently known as Shoucheng Holdings Limited.

(2) It is currently known as EV Dynamics (Holdings) Limited.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(3) It is no longer listed on the Stock Exchange since 2018.

Based on the above table, it is noted that life-of-mine offtake arrangements were not uncommon when the Group entered into the CMN Framework Offtake Agreement in 2014. Furthermore, it is noted that Grangex AB, a Swedish mineral development company listed on Nasdaq First North Premier Growth Market, announced in December 2025 the exclusive 100% life-of-mine offtake for its mine located in Kirkenes, Northern Norway. Based on the above, we consider that it is required and normal business practice for contracts in the nature of the CMN Framework Offtake Agreement to be of duration equivalent to the life of mine.

3. Reasons for and benefits of adoption of the Revised CMN Annual Caps

As stated in the letter from the Board, since 2014, the Group has undertaken additional development work at the Las Bambas mine in order to operate the Las Bambas Project at the best possible production rate with a view to releasing the potential benefits that Las Bambas Project may bring to the Group. As a result, the projected annual production volumes at the Las Bambas mine have increased above those estimated in 2014.

At the same time, fluctuations in production do occur from month to month and from year to year, depending on factors including level of the mining activity, variation in grades of the relevant products, operating variability of the processing plant and any unforeseeable operating and market circumstances, all of which are subject to revisions or updates over the normal course of business operations.

In view of the above, the Revised CMN Annual Caps are proposed to ensure that the Group can meet its contractual obligation to CMN to deliver 57.31% of the annual production of copper concentrate at Las Bambas mine, and to ensure committed revenue streams arising from sales to the CMN Group. The Revised CMN Annual Caps will accommodate the forecast production at the Las Bambas mine.

4. Internal controls procedures

The conduct of the CMN Framework Offtake Agreement will be implemented in accordance with the internal controls of the Group and our review and discussion is set out below.

Review of historical sales contract

As advised by the management of the Group, the pricing basis (including the quotational period) in respect of sale of copper concentrates charged by the Group to the CMN Group and independent third parties are equivalent to those set out in the corresponding back-to-back contracts entered into between the Group and the JV Company for the procurement of the copper concentrate by the Group from the JV Company. We have reviewed 4 contracts in 2023-2026 which were supplementary to the Long Form Sale Agreement, as well as 4 contracts entered into between the Group and independent third parties in 2023-2026 and compared the pricing basis against those set out in the corresponding back-to-back contracts entered into between the Group and the JV Company for the period from 2023 to 2025. Based on our review, we noted that the pricing basis charged by the Group to the CMN Group was equivalent to that

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

charged to the Group by the JV Company under the corresponding back-to-back contracts in the same year, which were determined based on the average prices quoted on the London Metal Exchange or other relevant London markets averaged over the first to fourth calendar month following the actual shipment. The pricing basis charged to independent third parties was also consistent with those charged to the Group by the JV Company under the corresponding back-to-back contracts in the same year, which were determined based on the average prices quoted on the London Metal Exchange or other relevant London markets averaged over the first to fourth calendar month following the actual shipment. In other words, the pricing basis charged by the Group to the CMN Group and independent third parties were equivalent to the pricing basis charged to the Group by the JV Company, and the pricing basis applied to the CMN Group and independent third parties were the same. Accordingly, we are of the view that the pricing basis of copper concentrate charged by the Group to the CMN Group is fair and reasonable and has not impaired the interests of the Company and its shareholders.

In addition, we have reviewed 6 sales invoices issued to each of the CMN Group and independent third parties in 2023-2025 and noted that the pricing basis adopted therein was consistent with that set out in the relevant contracts. We further cross-checked the copper prices stated in the sales invoices against the London Metal Exchange cash settlement prices obtained from Bloomberg, an established global provider of financial data, analytics and new services, and noted that they were consistent. We also reviewed the annual treatment and refining charges deductible from the copper prices in each sales invoice. We have been provided with and reviewed the Copper Concentrates Market Outlook Report published by the CRU Group, an independent global leader in market analysis, price assessments, consulting and events for mining, metals and fertilizers, in December 2025, we noted that the annual treatment and refining charges deductible from the copper prices in each of the sales invoices were equivalent to the annual benchmark treatment and refining charges set out in the aforementioned report from 2023 to 2025.

Having considered that (i) the total transaction quantity under the individual contracts relating to the sale of the copper concentrates for Las Bambas Project that we reviewed accounted for over 50% of the production of Las Bambas Project for the relevant year; and (ii) the review period covers 2023-2026, we consider that the reviewed samples are fair and representative for our assessment purposes. Based on the contracts which we have reviewed, we noted that the pricing basis of copper concentrates charged by the Group to the CMN Group was consistent with those charged to independent third parties, which were determined based on the pricing basis in the corresponding back-to-back contracts charged to the Group by the JV Company. We further noted from the sales invoices that the copper prices stated therein were consistent with those quoted from Bloomberg, an established global provider of financial data, analytics and news services, and treatment and refining charges deductions allowed by the Group to the CMN Group were in line with the benchmark and were no more favourable than those offered to independent third parties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Based on the above, nothing has come to our attention that would cause us to cast doubt on the effectiveness and sufficiency of the internal control measures of the Company in ensuring the compliance with the terms of the transactions under the CMN Framework Offtake Agreement. Accordingly, we consider that the effective implementation of these internal control measures has been in place to ensure fair pricing of the abovementioned continuing connected transactions and compliance with the pricing policy.

Internal control measures

As stated in the letter from the Board, to ensure that the transactions contemplated under the CMN Framework Offtake Agreement, and all of the Company's continuing connected transactions, are conducted in accordance with the terms of the relevant agreements on normal or better commercial terms and are in the interests of the shareholders of the Company as a whole, and in compliance with the annual caps, the Company has adopted the following internal controls procedures:

- The Company's marketing and sales department continuously monitors the production performance of the Las Bambas mine and the outlook of the global copper concentrate and relevant metal markets against the relevant annual caps of the applicable sales agreement. Any change which may potentially affect an annual cap is reported to senior management and the Board in a timely manner.
- The Company's marketing and sales department ensures that the pricing of each delivery of the relevant product is determined in accordance with the terms of the applicable sales agreement.
- As such sales agreements are a core component of the Company's business, the Company's senior management has sufficient market knowledge and access to data, which enables them to assess changes to the production performance of the Las Bambas mine, whether the terms of each sales agreement are on normal commercial terms and whether the annual caps are appropriately determined.
- All of the Company's continuing connected transactions, including their annual caps, are annually reviewed and discussed by the independent non-executive Directors of the Company, to confirm that the transactions are in the ordinary and usual course of business of the Company, on normal commercial terms or better, in accordance with the terms of the relevant agreements of the Company, fair and reasonable and in the interests of the Shareholders as a whole.
- The independent auditor of the Company conducts an annual review of the transactions and provides a written confirmation to the Board before release of the Company's annual report.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Our work done

As advised by the management of the Group, the Long Form Sale Agreement entered into between the Group and the CMN Group was subject to review by all independent non-executive directors of the Company. On an ongoing annual basis, the treatment and refining charges agreed by the parties require approval by an executive of the Company who is independent from CMN Group. We have reviewed the relevant approval records for the period from 2023 to 2025 and noted that the treatment and refining charges under the Long Form Sale Agreement had been duly endorsed by the marketing and sales department and approved by the chief operating officer who is independent of the CMN Group. The approval procedures were implemented in accordance with the Group's internal control policies.

Furthermore, the transactions contemplated under the CMN Framework Offtake Agreement are subject to annual review by all independent non-executive Directors and the auditors of the Company to ensure the transactions are conducted in accordance with the terms including the pricing principles set out in the CMN Framework Offtake Agreement. We have reviewed the annual reports of the Company for the years from 2023 to 2025 and noted that all independent non-executive Directors had confirmed that the transactions contemplated under the CMN Framework Offtake Agreement were entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better, and were fair and reasonable and in the interests of the Company and its Shareholders as a whole. We also noted that the Company's auditor had issued unqualified letter containing its conclusion in respect of the continuing connected transactions for the year ended 2023 to 2025.

Based on the above, we concur with the view of the management of the Group that the internal controls system of the Group is adequate to ensure that the transactions contemplated under the CMN Framework Offtake Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

5. The Revised CMN Annual Caps

In 2014, the Company applied for, and the Stock Exchange granted, a waiver from strict compliance with the Rule 14A.53 of the Listing Rules such that the Existing CMN Annual Caps can be expressed, instead of as a fixed monetary amount, as a fixed quantity of copper contained in copper concentrate to be sold each year over the duration of the CMN Framework Offtake Agreement.

Set out below are (i) the actual transaction quantity of copper contained in copper concentrate delivered to CMN for the year ended 2023 to 2025; (ii) the Existing CMN Annual Caps for the transaction quantity of copper contained in copper concentrate for 2023 to 2027; and (iii) the Revised CMN Annual Caps for the transaction quantity of copper contained in copper concentrate for the year ending 2026 to 2027.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

	For each of the year ended 31 December				
(in “000 tonnes)	2023	2024	2025	2026	2027
Copper contained in copper concentrate					
<i>Actual transaction quantity delivered to CMN</i>	213	178	234	N/A	N/A
Actual offtake percentage ⁽¹⁾	70.5%	55.1%	57.0%	N/A	N/A
<i>Existing CMN Annual Caps</i>	277	277	277	224	224
<i>Revised CMN Annual Caps</i> ⁽²⁾	N/A	N/A	N/A	250	264

Notes:

- (1) In practice, the actual quantity delivered to the CMN Group in a particular year may be higher or lower than 57.31% of the total copper contained in copper concentrate produced during the relevant year. Further explanation is set out in the section below.
- (2) The Revised CMN Annual Caps have been determined based on, amongst others, the expected annual production volume of copper contained in copper concentrate of the Las Bambas Project for 2026-2027.

6. Assessment of the basis for determining the Revised CMN Annual Caps

The Revised CMN Annual Caps for each of the financial years ending 31 December 2026 and 31 December 2027 respectively are determined by reference to (a) the highest expected annual production volume of copper contained in copper concentrate of the Las Bambas Project in each year as determined by the Group; (b) a buffer in the event of over-production; and (c) the portion of the copper contained in copper concentrate to be sold to CMN by MMG SA under the CMN Framework Offtake Agreement, being approximately 57.31% of the total copper contained in copper concentrate produced from the Las Bambas mine.

Expected production in 2026 and 2027

As stated in the letter from the Board, the Existing CMN Annual Caps were determined by reference to estimates of copper concentrate production in 2014, which was prior to the commencement of commercial production at Las Bambas mine. The Existing CMN Annual Caps have been adopted for 5 year periods, with a cap for 2021 to 2025 of 277,000 tonnes of copper in copper concentrate. Based on the information available to the Company in 2014, the Existing CMN Annual Caps for the following 5 year period are 224,000 tonnes of copper in copper concentrate. Since production has commenced at Las Bambas mine, the Group has undertaken additional development work and projected annual production volumes have now increased.

We have discussed with the management of the Group and are advised that the historical production volume of copper contained in copper concentrate produced from the Las Bambas Project was 302,033 tonnes in 2023, 322,912 tonnes in 2024 and 410,834 tonnes in 2025. In the Quarterly Production Report published on the Stock Exchange website on 22 January 2026, it was disclosed that the Las Bambas mine is targeting the production of 380,000 to 400,000 tonnes of copper contained in copper concentrate during 2026, which target it is on track to meet. In determining the Revised CMN Annual Cap for 2027, the Company has applied a

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

maximum planning assumption of 400,000 tonnes of copper contained in copper concentrate, having regard to its current expectations regarding production at Las Bambas (such assumption should not be regarded as formal production guidance for 2027). CMN has committed to buy 57.31% of the total copper contained in copper concentrate produced from the Las Bambas mine under the CMN Framework Offtake Agreement. As advised by the management of the Group, the actual annual transaction quantity of copper contained in copper concentrate delivered to the CMN Group may, however, not be equivalent to 57.31% of the annual production volume of copper contained in copper concentrate. In practice, the actual quantity delivered to the CMN Group in a particular year may be higher or lower than 57.31% of the total copper contained in copper concentrate produced during the relevant year, due to various operational, logistical and commercial factors. Such factors include timing differences between production and shipment, constraints relating to inland transportation and vessel scheduling, port disruptions, differences between scheduled and actual shipment quantities, and subsequent adjustments to copper grades, moisture content and payable metal following final assays and settlement processes. Accordingly, variances may arise in a particular year despite the Group's efforts to manage the offtake arrangements in accordance with the terms under the CMN Framework Offtake Arrangement. The relatively larger variances recorded in 2023 were primarily attributable to significant social disruptions in Peru that affected the Las Bambas Project, which resulted in force majeure events and adversely impacted production, logistics and sales activities. Shipment volumes were significantly affected by roadblock activities in 2022, which caused substantial delays in concentrate transportation. Following the resolution of these disruptions in March 2023, previously delayed shipments were gradually delivered, leading to higher sales volumes and variances between production and delivery volumes in 2023. With reference to the upper end of the estimated production volume of copper contained in copper concentrates of approximately 400,000 tonnes from the Las Bambas Project for each of the years ending 31 December 2026 and 2027 and multiplying the contractual offtake percentage of 57.31%, the projected transaction quantity of copper contained in copper concentrates delivered by the Group to the CMN Group would be approximately 230,000 tonnes for each of the relevant years, and therefore the Existing CMN Annual Caps of 224,000 tonnes would be insufficient.

As advised by the management of the Group, the actual production volume of copper contained in copper concentrate produced from the Las Bambas Project for the seven months ended 31 July 2026 was approximately 246,000 tonnes. We have also reviewed the budgeted production volume of copper contained in copper concentrate to be produced from the Las Bambas Project for the period from August to December 2026, which amounted to approximately 162,000 tonnes. Based on the aggregate of the actual production volume for the seven months ended 31 July 2026 and the budgeted production volume for the period from August to December 2026, the estimated total production volume of copper contained in copper concentrate produced from the Las Bambas Project for the year ending 31 December 2026 would be approximately 408,000 tonnes, which slightly exceeded the budgeted production of Las Bambas Project as announced in January 2026. On this basis, we consider the basis in arriving at the budgeted production volume of Las Bambas Project for 2026 and 2027 to be reasonable but a buffer is needed.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As advised by the management of the Group, the production plan will be updated from time to time, taking into account, among other things, geological, mine design, metallurgical and logistics considerations. Actual production volume may therefore deviate from the current estimate production for 2026 and 2027. The management of the Group further advised that, fluctuations in production do occur from month to month and from year to year, depending on factors including level of the mining activity, variation in grades of the relevant products, operating variability of the processing plant and any unforeseeable operating and market circumstances. On this basis, together with the highest actual offtake percentage (i.e. 70.5%) in 2023 exceeded the Offtake Percentage, we are of the view that 9% to 15% buffer, which are comparable to 5% to 20% adopted by other Hong Kong listed companies in their continuing connected transactions in August and September 2026, on top of the upper end of the estimated production volume for 2026 and 2027 in determining the Revised CMN Annual Caps is appropriate.

Given the Revised CMN Annual Caps are determined based on (i) the upper end of the estimated production quantity of copper contained in copper concentrate from Las Bambas Project for 2026, which is close to the actual and estimated production volume of the same in 2026; (ii) the estimated transaction quantity of copper contained in copper concentrate delivered by the Group to the CMN Group for 2026 and 2027, which is calculated by multiplying the offtake percentage of 57.31% under the CMN Framework Offtake Agreement; and (iii) a 9% to 15% buffer on top of the aforementioned (ii) for 2026 and 2027, we are of the view that the basis in arriving at the Revised CMN Annual Caps is reasonable so far as the Independent Shareholders are concerned.

OPINION AND RECOMMENDATION

Having taking into account the above principal factors and reasons, we consider that (i) the Revised CMN Annual Caps and the terms of the CMN Framework Offtake Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) the CMN Framework Offtake Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms in the ordinary and usual course of business of the Group. Accordingly, we recommend the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the EGM in relation to the Revised CMN Annual Caps.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED
Jenny LEUNG
Director

Ms Jenny LEUNG is licensed person and responsible officer of Somerley Capital Limited registered with the SFC to carry out Type 6 (advising on corporate finance) regulated activities under the SFO and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

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 Group. 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 OF DIRECTORS IN EQUITY OR DEBT SECURITIES

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company or any of their associates in the Shares, underlying shares and 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 and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO 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 set out in Appendix C3 of the Listing Rules (Model Code) were as follows:

Long positions in Shares and underlying shares of the Company as at the Latest Practicable Date:

Name of chief executive / Director	Nature of interest	Number of underlying shares held			Approximate percentage of total number of issued Shares as at the Latest Practicable Date ¹
		Number of Shares held	Options	Performance Awards	
ZHAO Jing Ivo	Shares	240,984	—	240,984	0.002

Note:

1. The calculation is based on the number of shares and/or underlying shares as a percentage of the total number of issued Shares (that is, 12,846,422,416 shares) as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company or any of their associates 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 and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or that were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in Shares and underlying shares of equity derivatives of the Company as at the Latest Practicable Date:

Name of substantial shareholders	Capacity	Number of Shares held	Approximate percentage of total number of issued Shares as at the Latest Practicable Date ¹
CMC	Interest of controlled corporation ²	8,186,032,923	63.72%
CMCL	Interest of controlled corporation ²	8,186,032,923	63.72%
CMN	Interest of controlled corporation ²	8,186,032,923	63.72%
Album Enterprises	Interest of controlled corporation ²	8,186,032,923	63.72%
Minmetals HK	Beneficial owner	8,186,032,923	63.72%

Notes:

- 1 The calculation is based on the number of shares and/or underlying shares as a percentage of the total number of issued Shares (that is, 12,846,422,416 shares) as at the Latest Practicable Date.
- 2 Minmetals HK is owned as to approximately 39.04%, 38.95% and 22.01% by CMCL, Album Enterprises and Top Create respectively. Album Enterprises and Top Create are wholly-owned by CMN, which in turn is wholly-owned by CMCL. CMCL is owned as to approximately 87.5% by CMC and approximately 0.8% by Minmetals (Beijing) Metal Products Co., Ltd. (formerly known as China National Metal Products Co. Ltd.), which is a wholly-owned subsidiary of CMC. Accordingly, each of CMC, CMCL, CMN and Album Enterprises is deemed to be interested in the 8,186,032,923 Shares of the Company held by Minmetals HK.

Save as disclosed above, as at the Latest Practicable Date, there was no other person (other than a Director or chief executive of the Company) who was recorded in the register of the Company, as having an interest or short positions in the Shares or underlying shares of the Company who was required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was recorded in the register required to be kept by the Company under Section 336 of the SFO.

Mr ZHANG Shuqiang is the Auditor — General and the General Manager of the Audit Department of CMC and was a Supervisor of CMCL. Mr CAO Liang is the President (General Manager) and a director of CMN and a director of Vast Rock International Investment Co., Ltd., a non wholly-owned subsidiary of CMC. Mr YUE Wenjun is a General Manager of the Legal, Compliance and Risk Management Department at CMC. Apart from that, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which has an interest or short position in the Shares or underlying Shares of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

Each of the non-executive Directors entered into an appointment agreement with the Company for a specific term of three years, except for Dr Peter William Cassidy. Dr Cassidy's appointment agreement commenced on 31 December 2010 and continues until either the Company or he terminates such agreement by serving on the other not less than one month's prior written notice. Saved as disclosed above and as at the Latest Practicable Date, there was no existing or proposed service contracts of Directors which will not expire or is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory compensation.

5. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors and their respective close associates had any interest in a business which competed or may compete with the businesses of the Group (which would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder of the Company), save as disclosed below:

1. Mr ZHANG Shuqiang, a non-executive Director of the Company, is/was:
 - the Auditor — General and the General Manager of Audit Department of CMC; and
 - Supervisor of CMCL from April 2024 to December 2025.

2. Mr CAO Liang, the Chairman of the Board and non-executive Director of the Company, is:
 - the President (General Manager) and a director of CMN; and
 - a director of Vast Rock International Investment Co., Ltd., a non wholly-owned subsidiary of CMC.
3. Mr YUE Wenjun, a non-executive Director of the Company, is:
 - General Manager of the Legal, Compliance and Risk Management Department at CMC.

Although the Group and the above companies are involved in businesses in the same industry, they are separate companies operated by separate and independent management. The Company is therefore capable of carrying on its business independently of, and at arm's length from, the above companies.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, or their respective associates (as if each of them was treated as a controlling shareholder under Rule 8.10 of the Listing Rules) had any direct or indirect interest in a business which competes or is likely to compete with the business of the Group.

6. DIRECTORS' INTERESTS IN ASSETS OR CONTRACTS

As at the Latest Practicable Date:

- (a) none of the Directors had any interest, direct or indirect, in any assets which had been 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 since 31 December 2025, being the date to which the latest published audited accounts of the Company were made up; and
- (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and was significant in relation to the business of the Group.

7. MATERIAL LITIGATION

As at the Latest Practicable Date and as far as the Directors are aware, no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

8. QUALIFICATIONS AND CONSENT OF EXPERT

The following are the qualifications of the expert who has given its opinion or advice for incorporation and as contained in this circular:

Name	Qualifications
Somerley Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As of the Latest Practicable Date, the Independent Financial Adviser:

- did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate person(s) to subscribe for securities in any member of the Group;
- did not have direct or indirect interest in any assets which have been 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 since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Company were made up; and
- has given and has not withdrawn its consent to the issue of this circular with inclusion herein of its letter of advice dated 14 October 2026 in connection with its advice to the Independent Board Committee and the Independent Shareholders, and references to its name and/or its advice in the form and context in which they appeared.

9. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there was no material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Group were made up.

10. MATERIAL CONTRACTS

No material contract (not being a contract entered into in the ordinary course of business) has been entered into by any member of the Group within the two years immediately preceding the issue of this circular.

11. GENERAL

- (a) The registered office and the corporate office of the Company is Unit 1208, 12/F, China Minmetals Tower, 79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong.
- (b) The principal place of business of the Company in Australia is Level 24, 28 Freshwater Place Southbank, Victoria 3006, Australia.
- (c) The share registrar of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) The company secretary of the Company is Ms Wong Lok Wun, Anfield, a chartered secretary, a chartered governance professional and an associate member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries).
- (e) In case of inconsistency, the English text of this circular shall prevail over the Chinese text.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are available on display on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<https://www.mmg.com/>) from the date of this circular up to 14 days thereafter:

- (a) the CMN Framework Offtake Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out in this circular; and
- (d) the written consent of the Independent Financial Adviser referred to in the paragraph headed "Qualification and consent of experts" in this appendix.

NOTICE OF EXTRAORDINARY GENERAL MEETING



MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “**Meeting**”) of MMG Limited (the “**Company**”) will be held at Studio 5, 7/F, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on Thursday, 29 October 2026 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary resolution:

ORDINARY RESOLUTION

1. “**THAT:**

- (a) the Revised CMN Annual Caps for the CMN Framework Offtake Agreement in the amounts of 250,000 tonnes and 264,000 tonnes of copper contained in copper concentrate for the two years ending 31 December 2026 and 31 December 2027, respectively, and the transactions contemplated thereunder be and are hereby approved; and
- (b) any one Director be and is hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the Directors may consider necessary, desirable or expedient to effect and implement the Revised CMN Annual Caps for the CMN Framework Offtake Agreement.”

By Order of the Board

MMG Limited

CAO Liang

Chairman and Non-executive Director

Hong Kong, 14 October 2026

Notes:

- 1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy need not be a member of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

2. The register of members of the Company will be closed from Monday, 26 October 2026 to Thursday, 29 October 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 23 October 2026. The record date for determining Shareholders' eligibility to attend and vote at the Meeting will be on Thursday, 29 October 2026.
3. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited with the share registrar of the Company, 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 no later than 10:00 a.m. on Tuesday, 27 October 2026.