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METALLURGICAL CORPORATION OF CHINA LTD. *

中國冶金科工股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1618)

**UTILISATION OF CERTAIN IDLE PROCEEDS RAISED
FROM H SHARE IPO FOR TEMPORARY REPLENISHMENT OF
WORKING CAPITAL**

References are made to (1) the section headed “Future Plans and Use of Proceeds” in the prospectus published for the initial public offering of H shares (the “**H Share IPO**”) of Metallurgical Corporation of China Ltd.* (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 11 September 2009 in relation to the use of proceeds raised from the H Share IPO, including funding overseas resources development projects and potential acquisitions of overseas resources; (2) the announcements dated 30 August 2013 and 22 November 2013 and the circular dated 8 October 2013 in relation to, among others, change of the use of proceeds of HK\$1.833 billion from funding overseas resources development projects and potential acquisitions of overseas resources as originally planned to funding the working capital for the overseas engineering contracting projects of the Group; and (3) the announcement dated 28 March 2024 in relation to the temporary utilisation of idle proceeds for the Afghanistan Aynak Copper Mine Project (the “**Aynak Project**”) by the Company to replenish the working capital for the overseas engineering projects of the Group for a term of one year.

As disclosed in the announcement of the Company dated 28 March 2024, the Company, after reserving RMB42 million for the funding requirement of the Aynak Project for the following year, would use the idle proceeds of RMB1.986 billion as originally planned for funding the Aynak Project to further replenish the working capital for the overseas engineering projects of the Group for a term of one year.

The net proceeds from the H Share IPO is approximately HK\$15.585 billion. As of 31 December 2024, the Group has accumulatively used approximately HK\$13.310 billion, and the balance is approximately HK\$2.275 billion. The balance of the proceeds are the funds designated for the Aynak Project, of which the balance of the designated proceeds account is HK\$46 million (including redeposit earnings and deposit interests, approximately RMB42 million).

In respect of the Aynak Project, the Company is maintaining close communication with the Afghan Interim Government, intends to accelerate the completion of preliminary preparations such as feasibility study and mine road construction, and actively creates favourable conditions to improve the project's investment results, so as to promote substantial progress of the project with the Afghan Interim Government as soon as possible. If there is a funding demand from the project, the Company will return the H Share proceeds and make payments to the project based on the specific payment schedule and amount.

In order to improve the efficiency of fund utilisation, upon consideration and approval at the 70th meeting of the third session of the board of directors of the Company (the “**Board**”), the Company, after reserving HK\$46 million (approximately RMB43 million) for the funding requirement of the Aynak Project for the following year, will continue to use the idle proceeds of RMB1.986 billion as originally planned for funding the Aynak Project to replenish the working capital for the overseas engineering projects of the Group for a term of one year. If the funding demand from the Aynak Project exceeds the current balance in the designated account within the approved one-year period for temporarily replenishing working capital, the Company will return the proceeds to the designated account of the Aynak Project at any time.

The Board is of the view that the temporary utilisation of the idle proceeds of the Aynak Project for replenishment of the working capital for overseas engineering projects of the Group will increase the efficiency of fund utilisation and reduce the finance costs of the Group, and is in the best interests of the Company and its shareholders as a whole.

By order of the Board
Metallurgical Corporation of China Ltd.*
Wang Zhen
Joint Company Secretary

Beijing, the PRC
28 March 2025

As at the date of this announcement, the Board comprises executive directors: Mr. Chen Jianguang and Mr. Bai Xiaohu; non-executive directors: Mr. Lang Jia and Mr. Yan Aizhong (employee representative director); and independent non-executive directors: Mr. Liu Li, Mr. Ng, Kar Ling Johnny and Ms. Zhou Guoping.

* *For identification purpose only*