THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

China Vanadium Titano-Magnetite Mining Company Limited
中國釩鈦磁鐵礦業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00893)

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO 2026 FACILITY MANAGEMENT SERVICES FRAMEWORK AGREEMENTS AND (2) NOTICE OF EGM

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

金聯資本
Goldlink Capital

Capitalised terms used in this circular have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out from pages 5 to 19 of this circular. A letter from the Independent Board Committee is set out on pages 20 to 21 of this circular. A letter from the Independent Financial Adviser, is set out on pages 22 to 43 of this circular.

A notice convening the EGM to be held on Tuesday, 30 December 2025 at 2:30 p.m. at City Tower, No. 86 Section 1, Renmin South Road, Qingyang District, Chengdu, the People's Republic of China is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is published on the website of the Stock Exchange (**www.hkexnews.hk**) and the website of the Company (**www.chinavtmmining.com**). If you intend to appoint a proxy to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon 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 will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

15 December 2025

CONTENT

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

"2023 FM Framework Agreements"	the 2023 Huili FM Agreement and the 2023 Yanyuan FM Agreement
"2023 Huili FM Agreement"	the facility management services framework agreement entered into between Huili Caitong and Xiushuihe Mining and Sichuan Lingwei on 13 December 2022 in relation to the provision of FM Services by Sichuan Lingwei to Huili Caitong and Xiushuihe Mining
"2023 Yanyuan FM Agreement"	the facility management services framework agreement entered into between Yanyuan Xigang and Sichuan Lingwei on 13 December 2022 in relation to the provision of FM Services by Sichuan Lingwei to Yanyuan Xigang
"2026 FM Framework Agreements"	the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement
"2026 Huili FM Agreement"	the facility management services framework agreement entered into between Huili Caitong, Xiushuihe Mining and Sichuan Lingwei on 7 November 2025 in relation to the provision of FM Services by Sichuan Lingwei to Huili Caitong and Xiushuihe Mining
"2026 Yanyuan FM Agreement"	the facility management services framework agreement entered into between Yanyuan Xigang and Sichuan Lingwei on 7 November 2025 in relation to the provision of FM Services by Sichuan Lingwei to Yanyuan Xigang
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"Chengyu Vanadium Titano"	Chengyu Vanadium Titano Technology Ltd.*（成渝釩鈦科技有限公司）, formerly known as Weiyuan Steel Co., Ltd.*（威遠鋼鐵有限公司）, a sino-foreign equity joint venture established in the PRC on 3 April 2001, and is controlled by the Relevant CVT Substantial Shareholders, thus a connected person

"Company"	China Vanadium Titano-Magnetite Mining Company Limited*（中國釩鈦磁鐵礦業有限公司）, a limited liability company incorporated in the Cayman Islands on 28 April 2008, the issued shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"Disposal"	the disposal by Sichuan Lingyu Investment Group Co., Ltd.*（四川省凌御投資集團有限公司）("**Sichuan Lingyu**") of the entire equity interest in Huili Caitong (and its subsidiaries, namely Xiushuihe Mining and Panzhihua Yixingda Industrial Trading Co., Ltd.*（攀枝花易興達工貿有限責任公司）) pursuant to the sale and purchase agreement dated 29 January 2019 entered into among Sichuan Lingyu and Chengyu Vanadium Titano
"EGM"	an extraordinary general meeting of the Company to be convened for the Independent Shareholders to consider and, if thought fit, approve the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder
"Group"	the Company and its subsidiaries
"HKD"	the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Huili Caitong"	Huili County Caitong Iron and Titanium Co., Ltd.*（會理市財通鐵鈦有限責任公司）, established in the PRC on 7 July 1998 and has been a foreign equity joint venture in the PRC since 29 December 2010, and is wholly-owned by Chengyu Vanadium Titano, thus a connected person
"IBC" or "Independent Board Committee"	an independent board committee of the board, comprising all independent non-executive Directors, namely Mr. Yu Haizong, Mr. Liu Yi, Mr. Wu Wen and Mdm. Tang Guoqiong, to advise the Independent Shareholders with respect to the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder

"IFA" or "Independent Financial Adviser"	Goldlink Capital (Corporate Finance) Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed to advise the IBC and the Independent Shareholders with regard to the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder
"Independent Shareholders"	Shareholders, other than the Relevant CVT Substantial Shareholders and their respective close associates which are required to abstain from voting at the EGM pursuant to the Listing Rules
"Independent Third Party(ies)"	independent third party(ies) who is(are) not connected with the Company and its connected person(s)
"Latest Practicable Date"	9 December 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Model Code"	The Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"PRC"	the People's Republic of China, which for the purposes of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Relevant CVT Substantial Shareholders"	Mr. Wang Jin (王勁), Mr. Shi Yinjun (石銀君), Mr. Zhang Yuangui (張遠貴), Mr. Li Hesheng (李和勝), and Mr. Wu Wendong (吳文東) parties acting in concert and some of the substantial Shareholders through their ownership in Trisonic International
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time

"Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of HKD0.1 each
"Shareholder(s)"	holder(s) of the Share(s)
"Sichuan Lingwei"	Sichuan Lingwei Property Services Co., Ltd.*(四川省凌威物業服務有限公司), a limited liability company established in the PRC on 7 July 2021 and an indirect wholly-owned subsidiary of the Company
"Specific Agreements"	the specific individual agreement(s) that may be entered into between Sichuan Lingwei and Huili Caitong, Xiushuihe Mining and/or Yanyuan Xigang (as applicable) in accordance with the principles and terms of each of the 2026 FM Framework Agreements
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trisonic International"	Trisonic International Limited*(合創國際有限公司), a company incorporated in Hong Kong on 19 July 2006 and a controlling shareholder of the Company
"Xiushuihe Mining"	Huili Xiushuihe Mining Co. Ltd.*(會理秀水河礦業有限公司), a limited liability company established in the PRC on 26 June 2007, an indirect subsidiary of the Company, thus a connected person
"Yanyuan Xigang"	Yanyuan Xigang Clean Coal Co., Ltd.*(鹽源西鋼精煤有限責任公司), a limited liability company established in the PRC, and is controlled by the Relevant CVT Shareholders, thus a connected person
"%"	per cent

* *The English translation of the Chinese name is for information only, and should not be regarded as the official English translation of such name.*

China Vanadium Titano-Magnetite Mining Company Limited
中國釩鈦磁鐵礦業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00893)

Non-executive Director:
Mr. Teh Wing Kwan *(Chairman)*

Executive Directors:
Mr. Hao Xiemin *(Chief Executive Officer)*
Mr. Wang Hu

Independent Non-executive Directors:
Mr. Yu Haizong
Mr. Liu Yi
Mr. Wu Wen
Mdm. Tang Guoqiong

Registered Office:
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Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal Place of Business in Hong Kong:
Suite 3201, 32/F
Alexandra House
18 Chater Road
Central, Hong Kong

15 December 2025

To the Shareholders

Dear Sir or Madam,

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO 2026 FACILITY MANAGEMENT SERVICES FRAMEWORK AGREEMENTS AND (2) NOTICE OF EGM

I. INTRODUCTION

Reference is made to the announcement of the Company dated 7 November 2025 in relation to the entry into 2026 FM Framework Agreements.

The purpose of this circular is to provide (i) further details of the 2026 FM Framework Agreements and the transactions contemplated thereunder to the Independent Shareholders; (ii) the letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) other information as required under the Listing Rules; and (v) the notice of the EGM.

II. 2026 FM FRAMEWORK AGREEMENTS

1. Background

References are made to the announcement of the Company dated 13 December 2022 (the "**Previous Announcement**") and circular dated 10 January 2023 that Sichuan Lingwei (an indirect wholly-owned subsidiary of the Company) entered into (i) the 2023 Huili FM Agreement with Huili Caitong and Xiushuihe Mining; and (ii) the 2023 Yanyuan FM Agreement with Yanyuan Xigang. Pursuant to the 2023 FM Framework Agreements, Sichuan Lingwei has agreed to provide facility management services, comprising operational site routine services and mining engineering support and consultancy services, to the mining camps of Huili Caitong, Xiushuihe Mining and Yanyuan Xigang from 1 January 2023 (or the date of approval of the 2023 Huili FM Agreement and 2023 Yanyuan FM Agreement by the Independent Shareholders at the general meeting of the Company, whichever is the later) to 31 December 2025. The 2023 Huili FM Agreement and 2023 Yanyuan FM Agreement and the annual caps for the three years ended 31 December 2025 were approved at the extraordinary general meeting of the Company held on 31 January 2023.

On 7 November 2025 (after trading hours), Sichuan Lingwei entered into (i) the 2026 Huili FM Agreement with Huili Caitong and Xiushuihe Mining; and (ii) the 2026 Yanyuan FM Agreement with Yanyuan Xigang. Pursuant to the 2026 FM Framework Agreements, Sichuan Lingwei has agreed to provide a wide range of facilities management services covering industrial, logistics, and commercial properties and related facilities, including operational site routine services and mining engineering support and consultancy services (the "**FM Services**") to Huili Caitong, Xiushuihe Mining and Yanyuan Xigang. The term of the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement is from 1 January 2026 or the date of approval of the 2026 FM Framework Agreements by the Independent Shareholders at the EGM (whichever is the later) until 31 December 2028.

2. 2026 FM Framework Agreements

A summary of the salient terms of the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement are set out below:

Date:	7 November 2025
Parties:	**In respect of the 2026 Huili FM Agreement:** (i) Huili Caitong (as customer); (ii) Xiushuihe Mining (as customer); and (iii) Sichuan Lingwei (as service provider) **In respect of the 2026 Yanyuan FM Agreement:** (i) Yanyuan Xigang (as customer); and (ii) Sichuan Lingwei (as service provider)
Term:	From 1 January 2026 or the date of approval of the 2026 FM Framework Agreements by the Independent Shareholders at the general meeting of the Company (whichever is the later) until 31 December 2028.
Service Scope:	Sichuan Lingwei is responsible for providing with a wide range of FM Services, including but not limited to: (i) ***Fixed Fee Services*** generally comprising cleaning services, security services, meal processing services, vehicle driving services, greening services, chemical testing services (only under the 2026 Huili FM Agreement), loader driving services, water pumping services, pipeline inspection services, warehouse management services, weighing services, logistics management services, industrial and commercial property management services (including hospitality management); and (ii) ***Volume-based Fee Services*** generally comprising engineering labour services, vehicle leasing services and consultancy services.

Annual Caps:

In respect of the 2026 Huili FM Agreement:

It is expected that the aggregate service fees (excluding VAT and other taxes) payable by Huili Caitong and Xiushuihe Mining together to Sichuan Lingwei for the provision of FM Services shall be not more than RMB34.0 million for each of the three years ending 31 December 2028.

In respect of the 2026 Yanyuan FM Agreement:

It is expected that the service fees (excluding VAT and other taxes) payable by Yanyuan Xigang to Sichuan Lingwei for the provision of FM Services shall be not more than RMB4.0 million for each of the three years ending 31 December 2028.

Pricing and Other Pertinent Terms:

The service fees for the FM Services under the 2026 FM Framework Agreements shall be determined on arm's length basis with reference to the pricing policy as set out in the paragraph below headed "Pricing Policy".

The parties to the 2026 FM Framework Agreements have also agreed as follows:

(i) the parties shall enter into Specific Agreements which will set out the necessary terms and conditions for the relevant transactions contemplated under the 2026 FM Framework Agreements in the ordinary course of business after arm's length negotiations on normal commercial terms; and

(ii) the Specific Agreements shall conform with the principles and provisions as set out in the 2026 FM Framework Agreements.

3. Historical Amount

The annual caps and the historical actual amounts recorded for the years ended 31 December 2023 and 31 December 2024, and for the ten months ended 31 October 2025 are approximately as set out below:

(RMB in million)	**2023 Huili FM Agreement**	
Period	**Annual Cap**	**Actual amount recorded**
1 January 2023 to 31 December 2023	23.0	16.8
1 January 2024 to 31 December 2024	30.0	18.5
1 January 2025 to 31 December 2025	30.0	13.8*(1)*

(RMB in million)	**2023 Yanyuan FM Agreement**	
Period	**Annual Cap**	**Actual amount recorded**
1 January 2023 to 31 December 2023	3.0	2.0
1 January 2024 to 31 December 2024	4.0	1.7
1 January 2025 to 31 December 2025	4.0	0.1*(1)*

Note:

(1) Based on the actual transactions amounts for the period ended from 1 January 2025 to 31 October 2025.

Accordingly, the Company confirms that from the commencement date of the 2023 FM Framework Agreements up to the Latest Practicable Date, the actual transaction amounts under the 2023 FM Framework Agreements did not exceed the respective annual caps as approved at the extraordinary general meeting of the Company held on 31 January 2023.

4. Proposed Annual Caps and the Basis of Determination

Proposed Annual Caps of the 2026 FM Framework Agreements

The proposed annual caps for the transactions contemplated under the 2026 FM Framework Agreements for the years ending 31 December 2026, 2027 and 2028 are set out as below:

	For the years ending December 31,		
	2026	**2027**	**2028**
		(RMB in million)	
Proposed annual cap of the service fees contemplated under the 2026 Huili FM Agreement	34.0	34.0	34.0
Proposed annual cap of the service fees contemplated under the 2026 Yanyuan FM Agreement	4.0	4.0	4.0
Proposed annual caps on an aggregate basis	38.0	38.0	38.0

Basis of Determination

The proposed annual caps for the transactions contemplated under the 2026 FM Framework Agreements are arrived at after taking into consideration of, among others, the following:

(i) historical transaction amounts arising from the 2023 FM Framework Agreements;

(ii) the scope and scale of FM Services required, including the extended and integrated logistics, industrial and commercial property management services. In general, these services collectively cover 3 mining camp sites with an aggregate site area of approximately 223,320 square metres, and potentially covering certain scopes of FM services relating to commercial properties with an estimated built-up area of approximately 4,000 square metres.

The engineering labour services were estimated based on approximately 5% of the total projected capital expenditure for each mining camp site. For vehicle leasing services were estimated based on leasing of not more than 10 vehicles to support on-site operational needs.

(iii) the types, locations and conditions of the facilities, including, among others, the level of complexity and the topography of the 2 vanadium bearing iron ores mines and 1 coal mine which are located in Liangshan Prefecture with logistics network covering a service radius of up to approximately 700 km; which may require deployment of up to 108 skilled labour, 11 units of specialised mining equipment, and 24 units on-site infrastructure equipment facilities for delivery management and logistics supports;

(iv) the projected total staffing requirement of approximately 330 staff and labourers, including managers, general workers and technical skilled labours;

(v) cost-plus pricing model taking into account of the anticipated operational costs to be incurred for rendering the services, among others, labour costs, travel expenses, material costs, administration costs and sub-contracting costs (if any), as stipulated in (i) to (iv) above, plus a profit margin and subject to inflationary adjustments. In particular, the labour cost component of the engineering labour services includes upward adjustment of approximately 15.21%, effective from second half of 2025, which has been estimated with reference to the Valuation Quotas of Bill of Quantities of Construction Projects in Sichuan Province;

(vi) the anticipated demand and extended scopes based on the operational requirements during the term of the 2026 FM Framework Agreements; and

(vii) the buffer (being approximately 5%) budgeted to cope with potential increase in the relevant service demands, as well as estimated increase in average market prices for similar services due to (a) expected increase in costs caused by inflation, and economic and social development during the term of the 2026 FM Framework Agreements; and (b) the possibility of adjustment of total service fees for the scope of services due to unforeseen circumstances.

The Company is aware that under the 2023 Yanyuan FM Agreement, the annual cap for 2025 is RMB4.0 million, whereas the actual transaction amount recorded for the period from 1 January 2025 to 31 October 2025 is only approximately RMB0.1 million. The significant shortfall, from October 2024 onwards, was primarily due to the slowdown in development activities of Yanyuan Xigang, which in turn reduced the required service requirements and resulted in lower transaction amounts.

Notwithstanding the above, based on its operational plan, Yanyuan Xigang anticipates that its mining camp will progressively resume to normal operating levels starting from first quarter of 2026. Having regard to the planned development and the anticipated corresponding increase in service requirements, the proposed annual caps under the 2026 Yanyuan FM Agreement remain at RMB4.0 million for each of the three years ending 31 December 2028. The Company considers these annual caps to be reasonable and appropriate based on the projected level of services required during the relevant period.

5. Pricing Policy

As a general principle, the service fees under the 2026 FM Framework Agreements shall be determined by arm's length basis after the commercial negotiations with reference to following pricing methods:

(i) the prevailing government-prescribed prices or government guiding prices for the relevant services. The service fees shall be determined within the range as prescribed by the relevant government agency (as applicable);

(ii) the prevailing market prices for similar and/or other comparable services on general commercial terms as conducted in the ordinary course of business from reliable and independent sources (the "**Prevailing Market Prices**"), including prices quoted by independent third parties; and/or

(iii) cost-plus pricing model taking into account of the anticipated operational costs to be incurred for rendering the services, among others, labour costs, travel expenses, administration costs, material costs and sub-contracting costs (if any) plus a reasonable profit margin and subject to inflationary adjustments (the "**Cost-Plus Pricing**").

Based on the above pricing models, in the absence of prevailing government prescribed prices or government guiding prices for the relevant services, the pricing models for the Fixed Fee Services and Volume-based Fee Services will be determined with reference to the Prevailing Market Prices and the Cost-Plus Pricing models, as applicable. As an overall measurement, the Group will also review and update the relevant costing computation details prior to entering into any Specific Agreements such that the final pricing remains commercially feasible to the contracting parties. The costing and pricing review process forms part of the implementation of the Internal Control Measures as set out below.

6. Internal Control Measures

To safeguard the interests of the Shareholders, the Group has adopted internal control measures relating to the transactions contemplated under the 2026 FM Framework Agreements, which include the following:

(i) the relevant personnel of the business department will supervise and monitor the pricing policy to ensure the relevant continuing connected transaction is conducted on normal commercial terms and will not be prejudicial to the interest of the Company and the Shareholders as a whole;

(ii) prior to entering into any Specific Agreements, the relevant departments, among others, the operation department, the legal and compliance department, the finance department and the management of the Group will review, assess and approve the terms to ensure they are consistent with the principles and provisions set out in the 2026 FM Framework Agreements and in accordance with the aforesaid pricing policy;

(iii) the finance department will compile and consolidate the transaction amounts under the 2026 FM Framework Agreements derived for every month and prepare the annual transaction amount estimation for the legal and compliance department to review and confirm that the annual caps are not exceeded, and the details will then be reported to the management of the Group and the Board;

(iv) if the annual caps are expected to be exceeded, the finance department shall promptly report to the IBC and take necessary measures, including obtaining approval of the revised annual caps from the Independent Shareholders and suspend any transactions under the relevant Specific Agreements before re-compliance of relevant Listing Rules;

(v) the finance department and the legal and compliance department will conduct regular random checks to review and assess whether the transactions contemplated under the 2026 FM Framework Agreements and any Specific Agreements, among others, pricing methodology and pertinent terms, are conducted in accordance with the terms set out in the respective agreements (including conduct of market comparison check if necessary), and report the result of random checks to the management of the Company and the Board;

(vi) the Group's internal auditor will conduct regular review on the effectiveness of the internal control system in place to ensure that the connected transactions are entered into in accordance with the terms set out in the 2026 FM Framework Agreements;

(vii) the Group's external auditor will conduct an annual review of the transactions entered into under the 2026 FM Framework Agreements in accordance with the relevant requirements under the Listing Rules; and

(viii) the Company's independent non-executive Directors, will conduct annual review, of the status of the transactions contemplated under the 2026 FM Framework Agreements to ensure that the Group has complied with its internal approval process, the terms of the 2026 FM Framework Agreements and the relevant requirements under the Listing Rules.

By implementing the above procedures and measures, the Directors consider that the Company has established an adequate internal control system to ensure the relevant continuing connected transactions under the 2026 FM Framework Agreements are conducted in accordance with the terms of such agreement, on normal commercial terms and in accordance with the pricing policies of the Company, which are fair and reasonable and in the interest of the Company and the Shareholders.

7. Information of the Parties

Huili Caitong is a company established in the PRC with limited liability which is principally engaged in iron ore mining, iron ore beneficiation and sale of self-produced products. As at the Latest Practicable Date, Huili Caitong is wholly owned by Chengyu Vanadium Titano, which is effectively (i) 67.5% owned by the Relevant CVT Substantial Shareholders; and (ii) 32.5% owned by 14 individuals and one union. As at the Latest Practicable Date, none of such 14 individuals and/or union effectively owns more than 30% of the equity interests in Chengyu Vanadium Titano and thus, they are all Independent Third Parties. Huili Caitong was formerly an indirect wholly-owned subsidiary of the Company before the completion of the Disposal on 30 July 2019.

Xiushuihe Mining is a company established in the PRC with limited liability which is principally engaged in iron ore mining, iron ore beneficiation and sale of self-produced products. As at the Latest Practicable Date, Xiushuihe Mining is 95% and 5% owned by Huili Caitong and Xichang Vanadium and Titanium Products Co., Ltd*（西昌釩鈦製品有限公司）, respectively; and the latter is ultimately controlled by the Relevant CVT Substantial Shareholders. It was formerly an indirect subsidiary of the Company which was held as to 95.0% by Huili Caitong (a then indirect wholly-owned subsidiary of the Company before the completion of the Disposal on 30 July 2019).

Yanyuan Xigang is a company established in the PRC with limited liability which is principally engaged in coal mining, processing, refining and sales of coal. As at the Latest Practicable Date, Yanyuan Xigang is effectively (i) 53.0% owned by the Relevant CVT Substantial Shareholders; (ii) 6.1% owned by Mr. Yang Jian; (iii) 5.6% owned by Mr. Qiu Xuhua; (iv) 5.4% owned by Mr. Xu Chao; and (v) 29.9% owned by 25 individuals. Save as disclosed above, none of the ultimate beneficial owners effectively owns more than 5% of the equity interests in Yanyuan Xigang and except for the Relevant CVT Substantial Shareholders, they are all Independent Third Parties.

Sichuan Lingwei, an indirect wholly-owned subsidiary of the Company established in the PRC with limited liability which is principally engaged in rendering facility management and consultancy services.

8. Rationale and Benefits of the 2026 FM Framework Agreements

The Group is principally engaged in mining and ore processing, sale of self-produced products, trading of steels, mining facilities management and management of strategic investments. As disclosed in the Previous Announcement dated 13 December 2022, the Group has arranged for all the mining facilities management activities as a standalone business unit in order to strengthen the operational system capability of a specialised facilities management team. The continuation of such transactions since 2021 under these operating structures has progressively enabled the Group to optimise operational resources, improve technical expertise and extend execution capabilities for the facilities management operations that such coordinated efforts would allow diversification of such expertise beyond the mining industry should opportunities arise for the Group. While the Group is building up its facilities management capabilities to capture project opportunities across multiple sectors in China's evolving economy while diversifying income streams, the Group will continue to stay focused in its existing business strategies amidst the current volatile market environment and economic cycles.

The transactions contemplated under the 2026 FM Framework Agreements, as extended under the 2023 FM Framework Agreement, are expected to remain income-accretive, which will further improve the economies of scale of the reorganised facilities management business unit and broaden recurring income stream for the Group as part of its existing asset-light business strategies amidst the current business environment. The 2023 FM Framework Agreements had previously allowed progressive expansion of the level of such relevant expertise (including future investments in relevant skilled personnel and technological support) such that the Group, under the 2026 FM Framework Agreements, will continue to build its track records, market its facilities management capabilities, procure additional service contracts, forge partnerships with strategic partners so as to explore more innovative and technology-driven facilities management strategies in managing the entire value chain of the facilities management business, including integrated logistics management services for other third party clients as well.

The Directors (excluding the independent non-executive Directors, being members of the IBC, who will express their views after taking into consideration the advice of the IFA) are of the view that the terms and conditions of the 2026 FM Framework Agreements (and the proposed annual caps thereunder) are determined on arm's length basis and are fair and reasonable and are thus in the interests of the Shareholders as a whole, and the continuing connected transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group.

No Director has a material interest in the 2026 FM Framework Agreements, and therefore none of the Directors are required to abstain from voting in the Board meeting approving the 2026 FM Framework Agreements and the transactions contemplated thereunder.

9. Listing Rules Implications

(1) 2026 Huili FM Agreement

As at the Latest Practicable Date, Xiushuihe Mining is the non-wholly owned subsidiary of Huili Caitong, which is wholly owned by Chengyu Vanadium Titano. Chengyu Vanadium Titano is in turn collectively held directly and indirectly as to more than 30% by the Relevant CVT Substantial Shareholders. Accordingly, Huili Caitong and Xiushuihe Mining are the associates of the Relevant CVT Substantial Shareholders and therefore connected persons of the Company under Rule 14A.07 of the Listing Rules, and the transactions contemplated under the 2026 Huili FM Agreement constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

(2) 2026 Yanyuan FM Agreement

As at the Latest Practicable Date, Yanyuan Xigang is ultimately held indirectly as to more than 30% by the Relevant CVT Substantial Shareholders. Accordingly, Yanyuan Xigang is an associate of the Relevant CVT Substantial Shareholders and therefore connected persons of the Company under Rule 14A.07 of the Listing Rules, and the transactions contemplated under the 2026 Yanyuan FM Agreement constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios in respect of the proposed annual caps for the transactions contemplated under the 2026 FM Framework Agreements, as calculated on an aggregated annual basis in accordance with the Listing Rules, exceeds 5%, such transactions contemplated thereunder, together with the annual caps thereof, constitute continuing connected transactions of the Company which are subject to the reporting, announcements, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

III. EGM

The Company will convene the EGM at City Tower, No. 86 Section 1, Renmin South Road, Qingyang District, Chengdu, the People's Republic of China, at 2:30 p.m. on Tuesday, 30 December 2025 for the Independent Shareholders to consider and, if thought fit, approve the 2026 Huili FM Agreement, the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder. A notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

Under the Listing Rules, all Shareholders who have a material interest in any of the transactions contemplated under the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement, together with their close associates, will be required to abstain from voting on the relevant resolution(s) to be proposed at the EGM. As at the Latest Practicable Date, the Relevant CVT Substantial Shareholders are substantial shareholders of the Company, holding 1,006,754,000 Shares (representing approximately 44.76% of the issued Shares) through Trisonic International. Trisonic International has granted a charge over 242,618,000 Shares, representing approximately 10.79% of the total issued Shares, in favour of a financial institution. As at the Latest Practicable Date, the financial institution has exercised its rights under the charge and appointed receivers over the charged Shares.

Accordingly, Trisonic International holding 1,006,754,000 Shares (representing approximately 44.76% of the issued Shares) is required to abstain from voting on the relevant resolutions proposed at the EGM for approving the 2026 Huili FM Agreement, the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder. Apart from the interests in the Company held through Trisonic International, none of the Relevant CVT Substantial Shareholders and/or their respective associates hold any other interests in the Company.

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions to be proposed at the EGM will be taken by poll, the results of which will be announced after the EGM.

For the purpose of determining the entitlement for attending and voting at the EGM, the register of members of the Company will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025 (both days inclusive), during which period no transfer of Shares will be registered. All share transfers accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 22 December 2025.

A form of proxy for use at the EGM is also enclosed. Whether or not you are able to attend the EGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, 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 later than 48 hours before the time appointed for the holding of the EGM (i.e. at or before 2:30 p.m. on Sunday, 28 December 2025) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment meeting thereof.

IV. RECOMMENDATION

The Independent Board Committee (comprising all the independent non-executive Directors) has been formed in accordance with Chapter 14A of the Listing Rules to advise the Independent Shareholders on the 2026 Huili FM Agreement, the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder.

In addition, the Company has appointed Goldlink Capital (Corporate Finance) Limited as the IFA to advise the IBC and the Independent Shareholders in this regard.

Having considered the advice from the IFA in relation to the 2026 Huili FM Agreement, the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder which is set out in pages 22 to 43 of this circular, the IBC is of the opinion that the 2026 FM Framework Agreements are in the ordinary and usual course of the Group's business, the transactions contemplated thereunder and the proposed annual caps thereunder are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole. Accordingly, the IBC recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM.

Having considered the reasons set out herein, the Directors are of the opinion that the 2026 FM Framework Agreements are in the ordinary and usual course of the Group's business, and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM.

V. ADDITIONAL INFORMATION

Your attention is drawn to the additional information is also set out in the appendices to this circular.

Yours faithfully
By order of the Board
China Vanadium Titano-Magnetite Mining Company Limited
Teh Wing Kwan
Chairman

China Vanadium Titano-Magnetite Mining Company Limited
中國釩鈦磁鐵礦業有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00893)

15 December 2025

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION IN RELATION TO 2026 FACILITY MANAGEMENT SERVICES FRAMEWORK AGREEMENTS

We refer to the circular issued by the Company to the Shareholders dated 15 December 2025 (the "**Circular**") of which this letter forms part. Terms defined in the Circular have the same meanings when used in this letter unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to advise you as to whether the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the proposed annual caps, are fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole.

We wish to draw your attention to the letter from the Independent Financial Adviser set out on pages 22 to 43 of the Circular and the letter from the Board set out on pages 5 to 19 of the Circular.

Having taken into account the principal factors and reasons considered by, and the advice of, the IFA as set out in its letter of advice, we are of the view that the 2026 FM Framework Agreements are in the ordinary and usual course of the Group's business, the transactions contemplated thereunder and the proposed annual caps thereunder are on normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Independent Board Committee

Yu Haizong	**Liu Yi**	**Wu Wen**	**Tang Guoqiong**

Independent non-executive Directors

The following is the full text of a letter of advice from Goldlink Capital (Corporate Finance) Limited to the Independent Board Committee and the Independent Shareholders in respect of the 2026 FM Framework Agreements and the transactions contemplated thereunder, which has been prepared for the purpose of inclusion in this circular.

金聯資本
Goldlink Capital

28/F
Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai Hong Kong

15 December 2025

*To: The Independent Board Committee and the Independent Shareholders of
China Vanadium Titano-Magnetite Mining Company Limited*

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO 2026 FM FRAMEWORK AGREEMENTS

INTRODUCTION

We refer to our appointment as the IFA to the IBC and the Independent Shareholders in relation to the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the respective proposed annual caps, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company to the Shareholders dated 15 December 2025 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

References are made to the announcement of the Company dated 13 December 2022 and circular dated 10 January 2023 that Sichuan Lingwei (an indirect wholly-owned subsidiary of the Company) entered into (i) the 2023 Huili FM Agreement with Huili Caitong and Xiushuihe Mining; and (ii) the 2023 Yanyuan FM Agreement with Yanyuan Xigang. Pursuant to the 2023 FM Framework Agreements, Sichuan Lingwei agreed to provide facility management services, comprising operational site routine services and mining engineering support and consultancy services, to the mining camps of Huili Caitong, Xiushuihe Mining and Yanyuan Xigang from 1 January 2023 to 31 December 2025.

As the relevant parties intend to continue to enter into the transactions of similar nature from time to time after the expiry of the 2023 FM Framework Agreements, on 7 November 2025 (after trading hours), Sichuan Lingwei entered into (i) the 2026 Huili FM Agreement with Huili Caitong and Xiushuihe Mining; and (ii) the 2026 Yanyuan FM Agreement with Yanyuan Xigang. Pursuant to the 2026 FM Framework Agreements, Sichuan Lingwei has agreed to provide the FM Services to Huili Caitong, Xiushuihe Mining and Yanyuan Xigang for a term from 1 January 2026 or the date of approval of the 2026 FM Framework Agreements by the Independent Shareholders at the EGM (whichever is the later) until 31 December 2028.

As at the Latest Practicable Date, (i) Xiushuihe Mining is the non-wholly owned subsidiary of Huili Caitong, which is wholly owned by Chengyu Vanadium Titano, Chengyu Vanadium Titano is in turn collectively held directly and indirectly as to more than 30% by the Relevant CVT Substantial Shareholders; and (ii) Yanyuan Xigang is ultimately held indirectly as to more than 30% by the Relevant CVT Substantial Shareholders. Accordingly, Huili Caitong, Xiushuihe Mining and Yanyuan Xigang are the associates of the Relevant CVT Substantial Shareholders and are therefore connected persons of the Company under Rule 14A.07 of the Listing Rules, and the transactions contemplated under the 2026 FM Framework Agreements constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios in respect of the proposed annual caps for the transactions contemplated under the 2026 FM Framework Agreements, as calculated on an aggregated annual basis in accordance with the Listing Rules, exceeds 5%, such transactions contemplated thereunder, together with the proposed annual cap thereof, constitute continuing connected transactions of the Company which are subject to the reporting, announcements, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Under the Listing Rules, all Shareholders who have a material interest in any of the transactions contemplated under the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement, together with their close associates, will be required to abstain from voting on the relevant resolution(s) to be proposed at the EGM. As at the Latest Practicable Date, the Relevant CVT Substantial Shareholders are substantial shareholders of the Company, holding 1,006,754,000 Shares (representing approximately 44.76% of the issued Shares) through Trisonic International. Trisonic International has granted a charge over 242,618,000 Shares, representing approximately 10.79% of the total issued Shares, in favour of a financial institution. As at the Latest Practicable Date, the financial institution has exercised its rights under the charge and appointed receivers over the charged Shares. Accordingly, Trisonic International, holding 1,006,754,000 Shares (representing approximately 44.76% of the issued Shares), is required to abstain from voting on the relevant resolutions proposed at the EGM for approving the 2026 Huili FM Agreement, the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder. Apart from the interests in the Company held through Trisonic International, none of the CVT Substantial Shareholders and/or their respective associates hold any other interests in the Company.

The IBC (comprising all independent non-executive Directors namely, Mr. Yu Haizong, Mr. Liu Yi, Mr. Wu Wen and Mdm. Tang Guoqiong) has been formed to advise the Independent Shareholders in relation to the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the respective proposed annual caps, in accordance with the Listing Rules. We, Goldlink Capital (Corporate Finance) Limited, have been appointed as the IFA to advise the IBC and the Independent Shareholders in these regards.

As at the Latest Practicable Date, we did not have any relationship with or interest in the Company and any other parties that could reasonably be regarded as relevant to our independence. Apart from normal professional fees payable to us in connection with this appointment as the IFA, no arrangement exists whereby we will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. During the past two years, we were appointed as an independent financial adviser for the Company on one occasion, details of which are set out in the Company's circular dated 9 May 2025 in relation to a major transaction and continuing connected transaction. Notwithstanding the above, the previous engagement with the Company would not affect our independence from the Company as we consider that the professional fees we received were at normal commercial terms and at insignificant sum which should not give rise to a perception that our independence would be so affected. Accordingly, we are independent of the Company pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In arriving at our recommendations, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors confirm that, having made all reasonable enquiries, to the best of their knowledge and belief the information contained in the 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 therein or the document misleading.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the respective proposed annual caps, in accordance with the Listing Rules.

This letter is issued for the information of the IBC and the Independent Shareholders solely in connection with their consideration of the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the respective proposed annual caps. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinions and recommendations, we have taken into consideration the following principal factors and reasons:

1. BACKGROUND INFORMATION ON THE GROUP

1.1 Background of the Group

The Group is principally engaged in mining and ore processing, sale of self-produced products, trading of steels, mining facilities management and management of strategic investments.

1.2 Financial performance of the Group

Set out below is a summary of the consolidated statements of profit or loss of the Group for each of the two years ended 31 December 2024 and 2023, and the six months ended 30 June 2025 and 2024, which are extracted from the Company's annual report for the year ended 31 December 2024 ("**2024 Annual Report**") and the interim report of the Company for the six months ended 30 June 2025 ("**2025 Interim Report**").

	Six months ended 30 June		**Year ended 31 December**	
	2025	**2024**	**2024**	**2023**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue	279,667	289,357	542,490	784,951
– Sale of self-produced high-grade iron concentrates	45,827	50,751	67,121	115,280
– Trading of steels	224,013	228,770	454,879	650,175
– Rendering of FM Services	9,827	9,836	20,490	19,496
Cost of sales	(273,262)	(279,597)	(528,287)	(748,417)
Gross profit	6,405	9,760	14,203	36,534
Profit/(Loss) attributable to owners of the Company for the year/period	923	(172)	(20,662)	9,697

For the six months ended 30 June 2025 ("6M2025")

According to the 2025 Interim Report, revenue fell slightly from approximately RMB289.4 million for the six months ended 30 June 2024 ("**6M2024**") to approximately RMB279.7 million for the 6M2025, due mainly to the decrease in (i) sale of steel of approximately RMB4.8 million; and (ii) sale of high-grade iron concentrates of approximately RMB4.9 million, partly attributable to the ongoing upgrade and progressive expansion works carried out at the production sites of the High-Fe Mining Operations; and lower average selling price of high-grade iron concentrates.

In line with the decrease in revenue, the gross profit of the Group also decreased from approximately RMB9.8 million for the 6M2024 to approximately RMB6.4 million for the 6M2025 with the decline in the Group's gross margin of approximately 1.1 percentage points. On the other hand, other income and gain increased to approximately RMB11.3 million for 6M2025 from approximately RMB6.0 million for 6M2024, which was mainly due to the derecognition of certain payables. Other expenses decreased to approximately RMB0.2 million for 6M2025 from approximately RMB3.0 million for 6M2024, which mainly in the absence of loss on disposal of fixed assets and certain non-recurring expenses, which were incurred during 6M2024.

As a result of the foregoing, the Group recorded a turnaround from a net loss of approximately RMB0.2 million for the 6M2024 to a net profit of approximately RMB0.9 million for the 6M2025, which primarily attributable to (i) the derecognition of certain payables of approximately RMB5.7 million and (ii) the decrease in other expense of approximately RMB2.8 million in the absence of loss on disposal of fixed assets and certain non-recurring expenses.

For the year ended 31 December 2024 ("FY2024")

According to the 2024 Annual Report, revenue of the Group for FY2024 was approximately RMB542.5 million, representing a decrease of approximately 30.9% as compared to approximately RMB785.0 million for FY2023. Such decrease was mainly attributable to (i) the decrease in the production and sales volume of high-grade iron concentrates of approximately 44.9% and 48.3%, respectively; and (ii) the decrease in the steels trading volume of approximately 23.5% to approximately 148.9 Kt in FY2024, with a decrease in average selling price of approximately 8.5%. The Group recorded a decrease in gross profit of approximately 61.1% from approximately RMB36.5 million for FY2023 to approximately RMB14.2 million for the FY2024, primarily due to the temporary suspension of operations at the Maoling-Yanglongshan Mine from July to November 2024 due to an incident involving a subcontractor (the "**Temporary Suspension**"), leading to a reduction in production volume and resulting in higher unit production costs, non-recurring production stoppage losses and lower economies of scale. Furthermore, following a reassessment of the production capacity and operational plans of the Maoling-Yanglongshan Mine after the Temporary Suspension, the Group recognised non-cash accounting impairment losses, including write-down of inventories totaling RMB13.8 million in accordance with applicable accounting standards.

As a result, the Group recorded a net loss attributable to owners of the Company of approximately RMB20.7 million for the FY2024 as compared to a net profit of approximately RMB9.7 million for FY2023.

1.3 Financial position on the Group

	As at 30 June	As at 31 December	
	2025	2024	2023
	RMB'000	*RMB'000*	*RMB'000*
	(unaudited)	(audited)	(audited)
Non-current assets	1,066,590	1,063,267	1,062,481
Current assets	226,450	219,042	244,853
Current liabilities	157,030	216,779	241,632
Non-current liabilities	212,828	145,322	125,400
Equity attributable to owners of the Company	626,577	625,621	646,288

As at 31 December 2024, total assets of the Group amounted to approximately RMB1.28 billion, representing a slight decrease of approximately 1.9% from approximately RMB1.31 billion as at 31 December 2023. Such decrease was mainly due to the decrease in trade and bills receivables of approximately RMB44.4 million and partly offset by the increase in prepayments, other receivables and other assets of approximately RMB12.3 million. As at 30 June 2025, the total assets of the Group amounted to approximately RMB1.29 billion, which is at similar level as compared to that as of 31 December 2024.

As at 31 December 2024, total liabilities of the Group amounted to RMB362.1 million as compared to approximately RMB367.0 million as at 31 December 2023. The decrease in total liabilities was mainly due to the decrease in (i) trade payables of approximately RMB7.4 million; and (ii) contract liabilities of approximately RMB6.8 million, partially offset by increases in (i) interest-bearing bank and other borrowings of approximately RMB8.9 million; and (ii) amount due to related parties of approximately RMB6.2 million. As at 30 June 2025, the total liabilities of the Group slightly increased to approximately RMB369.9 million, which was mainly due to the increase in (i) other payables of approximately RMB14.2 million; and (ii) contract liabilities of approximately RMB13.3 million; and partially offset by the decrease in (i) interest-bearing bank and other borrowings of approximately RMB14.3 million; and (ii) trade payables of approximately RMB6.8 million.

As a result of the foregoing, the total equity attributable to the owners of the Company (excluding non-controlling interest) as at 31 December 2023, 2024 and as at 30 June 2025 amounted to RMB646.3 million, RMB625.6 million and RMB626.6 million, respectively.

1.4 Background information of parties to the transactions

Huili Caitong

Huili Caitong is a company established in the PRC with limited liability which is principally engaged in iron ore mining, iron ore beneficiation and sale of self-produced products. As at the Latest Practicable Date, Huili Caitong is wholly owned by Chengyu Vanadium Titano, which is effectively (i) 67.5% owned by the Relevant CVT Substantial Shareholders; and (ii) 32.5% owned by 14 individuals and one union. As at the Latest Practicable Date, none of such 14 individuals and/or union effectively owns more than 30% of the equity interests in Chengyu Vanadium Titano and thus, they are all Independent Third Parties. Huili Caitong was formerly an indirect wholly-owned subsidiary of the Company before the completion of the Disposal on 30 July 2019.

Xiushuihe Mining

Xiushuihe Mining is a company established in the PRC with limited liability which is principally engaged in iron ore mining, iron ore beneficiation and sale of self-produced products. As at the Latest Practicable Date, Xiushuihe Mining is 95% and 5% owned by Huili Caitong and Xichang Vanadium and Titanium Products Co., Ltd* (西昌釩鈦製品有限公司), respectively; and the latter is ultimately controlled by the Relevant CVT Substantial Shareholders. It was formerly an indirect subsidiary of the Company which was held as to 95.0% by Huili Caitong (a then indirect wholly-owned subsidiary of the Company before the completion of the Disposal on 30 July 2019).

Yanyuan Xigang

Yanyuan Xigang is a company established in the PRC with limited liability which is principally engaged in coal mining, processing, refining and sales of coal. As at the Latest Practicable Date, Yanyuan Xigang is effectively (i) 53.0% owned by the Relevant CVT Substantial Shareholders; (ii) 6.1% owned by Mr. Yang Jian; (iii) 5.6% owned by Mr. Qiu Xuhua; (iv) 5.4% owned by Mr. Xu Chao; and (v) 29.9% owned by 25 individuals. Save as disclosed above, none of the ultimate beneficial owners effectively owns more than 5% of the equity interests in Yanyuan Xigang and except for the Relevant CVT Substantial Shareholders, they are all Independent Third Parties.

Sichuan Lingwei

Sichuan Lingwei is an indirect wholly-owned subsidiary of the Company established in the PRC with limited liability which is principally engaged in rendering facility management and consultancy services.

2. THE 2026 FM FRAMEWORK AGREEMENTS

2.1 Background of the 2026 FM Framework Agreements

As the relevant parties intend to continue to enter into the transactions of similar nature from time to time after the expiry of the 2023 FM Framework Agreements, on 7 November 2025 (after trading hours), Sichuan Lingwei entered into (i) the 2026 Huili FM Agreement with Huili Caitong and Xiushuihe Mining; and (ii) the 2026 Yanyuan FM Agreement with Yanyuan Xigang. Pursuant to the 2026 FM Framework Agreements, Sichuan Lingwei has agreed to provide the FM Services, to Huili Caitong, Xiushuihe Mining and Yanyuan Xigang. The term of the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement is from 1 January 2026 or the date of approval of the 2026 FM Framework Agreements by the Independent Shareholders at the EGM (whichever is the later) until 31 December 2028.

2.2 Reasons for and benefits of the entering into the 2026 FM Framework Agreements

In order to assess whether the entering into the 2026 FM Framework Agreements is in ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, we have discussed with the management of the Company and considered the followings:

(a) As disclosed in the Letter from the Board, the Group has arranged for all the mining facilities management activities as a standalone business unit in order to strengthen the operational system capability of a specialised facilities management team. The continuation of such transactions since 2021 under these operating structures has progressively enabled the Group to optimise operational resources, improve technical expertise and extend execution capabilities for the facilities management operations that such coordinated efforts would allow diversification of such expertise beyond mining industry should opportunities arise for the Group. This also enables the Group to better utilise its operational resources and leverage the expertise and experience of other segments to support and add value to the provision of FM Services segment. We have obtained and reviewed the new customers contracts and note that the Group has successfully commence business with 5 new external customers in 2025.

(b) The transactions contemplated under the 2026 FM Framework Agreements, as extended under the 2023 FM Framework Agreements, are expected to remain income-accretive, which will further improve the economies of scale of the reorganised facilities management business unit and broaden recurring income stream for the Group as part of its existing asset-light business strategies amidst the current business environment. The 2023 FM Framework Agreements had previously allowed progressive expansion of the level of such relevant expertise (including investments in relevant skilled personnel and technological support) such that the Group, under the 2026 FM Framework Agreements, will continue to build its track records, market its facilities management capabilities, procure additional service contracts, forge strategic partnerships with strategic partners, paving the way for a scalable facilities management strategies in managing the entire value chain of the facilities management business for other third party clients as well. We have reviewed the 2025 Interim Report and note that the net profit margin of the provision of FM Services segment was approximately 15.9% and 14.1% for 6M2025 and FY2024, respectively, which represented an increasing trend.

(c) As the Group disclosed in the 2024 Annual Report, the Directors consider that facilities management would play an increasingly significant role across various industries and sectors, providing new growth opportunities while diversifying income streams for the Group. Therefore, the entry of the 2026 FM Framework Agreements is in line with the Group's strategies in broadening its operating income stream under its asset-light and service-based business model. We have reviewed the 2026 FM Framework Agreements and understand that the service scopes as contemplated thereunder are asset-light in nature whereas the Group's mining operations are asset-based and capital-intensive in nature.

(d) The transactions contemplated under the 2026 FM Framework Agreements include the provision of FM Services for both fixed and variable fees. In particular, the fixed-fee component provides a predictable recurring income stream, thereby supplementing the Group's existing revenue base amidst existing market volatility and uncertainty in the commodity and steel markets while the Group is also re-investing for construction and engineering works in relation to the Mining Site Upgrade and Capacity Expansion under the Construction Contract, as defined and disclosed in the Company's announcement dated 30 September 2025.

After taking into consideration of (i) the Company's intention to further expand the FM Services scopes to maximise the profit from the provision of FM Services sector; (ii) the Company's intention to progressively adopt asset-light business strategies and the entry of the 2026 FM Framework Agreements represents a crucial step in implementing these business strategies; (iii) the nature of these revenues from the facilities management, which are recurring profit margin; and (iv) the 2026 FM Framework Agreements could continue to support progressive expansion of the facilities management sector, we concur with the Directors' view that the entering into of the 2026 FM Framework Agreements is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

2.3 Major terms of the 2026 FM Framework Agreements

Set out below are the major terms of the 2026 FM Framework Agreements. Please refer to the Letter from the Board for details.

Date:	7 November 2025
Parties:	**In respect of the 2026 Huili FM Agreement:** (i) Huili Caitong (as customer); (ii) Xiushuihe Mining (as customer); and (iii) Sichuan Lingwei (as service provider) **In respect of the 2026 Yanyuan FM Agreement:** (i) Yanyuan Xigang (as customer); and (ii) Sichuan Lingwei (as service provider)
Term:	From 1 January 2026 or the date of approval of the 2026 FM Framework Agreements by the Independent Shareholders at the EGM (whichever is the later) until 31 December 2028.
Service Scope:	Sichuan Lingwei is responsible for providing with a wide range of FM Services, including but not limited to:

(i) ***Fixed Fee Services*** generally comprising cleaning services, security services, meal processing services, vehicle driving services, greening services, chemical testing services (only under the 2026 Huili FM Agreement), loader driving services, water pumping services, pipeline inspection services, warehouse management services, weighing services, logistics management services, industrial and commercial property management services (including hospitality management); and

(ii) ***Volume-based Fee Services*** generally comprising engineering labour services, vehicle leasing services and consultancy services.

Pricing and Other Pertinent Terms: The service fees for the FM Services under the 2026 FM Framework Agreements shall be determined on arm's length basis with reference to the pricing policy as set out below.

The parties to the 2026 FM Framework Agreements have also agreed as follows:

(i) the parties shall enter into Specific Agreements which will set out the necessary terms and conditions for the relevant transactions contemplated under the 2026 FM Framework Agreements in the ordinary course of business after arm's length negotiations on normal commercial term; and

(ii) the Specific Agreements shall conform with the principles and provisions as set out in the 2026 FM Framework Agreements.

2.4 Fairness and reasonableness on the terms of the 2026 FM Framework Agreements

In assessing the fairness and reasonableness on the terms of the 2026 FM Framework Agreements, we have considered the below factors:

Pricing policy of the 2026 FM Framework Agreements

As stated in the Letter from the Board, as a general principle, the service fees under the 2026 FM Framework Agreements shall be determined by arm's length basis after commercial negotiations with reference to the following pricing methods:

(i) the prevailing government-prescribed prices or government guiding prices for the relevant services. The service fees shall be determined within the range as prescribed by the relevant government agency (as applicable);

(ii) the prevailing market prices for similar and/or other comparable services on general commercial terms as conducted in the ordinary course of business from reliable and independent sources (the "**Prevailing Market Prices**"), including prices quoted by independent third parties; and/or

(iii) cost-plus pricing model taking into account of the anticipated operational costs to be incurred for rendering the services, among others, labour costs, travel expenses, administration costs, material costs and sub-contracting costs (if any) plus a reasonable profit margin and subject to inflationary adjustments (the "**Cost-Plus Pricing**").

Assessment on the pricing policy

In order to assess the fairness and reasonableness of the pricing policies of the 2026 FM Framework Agreements, we have considered and performed the following independent workdone:

– We have obtained and reviewed the 2026 FM Framework Agreements and note that the services scopes as contemplated under the 2026 FM Framework Agreements comprise Fixed Fee Services and Volume-based Fee Services;

– In respect of the Fixed Fee Services, we are given to understand from the management of the Company that, as at the Latest Practicable Date, there is no prevailing government-prescribed prices nor government guiding prices (if any and as applicable) promulgated by the PRC government for the provision of the services under Fixed Fee Services. In the absence of such, the pricing of the Fixed Fee Services will be determined with reference to (i) the Prevailing Market Prices for similar and/or other comparable services on general commercial terms as conducted in the ordinary course of business from independent sources; and/or (ii) prices by reasonable cost-plus pricing model taking into account of the anticipated operational costs to be incurred for rendering the services, among others, labour costs, travel expenses, material costs, administration costs and sub-contracting costs (if any) plus a profit margin and subject to inflationary adjustments, which aligns with the pricing policy of the Company as set out above.

  We have obtained from the Company 3 quotations from 3 Independent Third Party service providers in respect of all similar services to be provided under the 2026 FM Framework Agreements and note that the pricing to be charged by the Group in aggregate are marginally higher than the quotations offered by independent third party service providers for mining camp sites of the Huili Caitong and Xiushuihe Mining. As a result, we concur with the views of the Directors that the Fixed Fee Services charged by the Group are fair and reasonable and on normal commercial terms or better so far as the Independent Shareholders are concerned;

– In respect of the Volume-based Fee Services, we are given to understand from the management of the Company that there are prevailing government-prescribed prices or guiding prices promulgated by the PRC government for certain services. As such, the pricing of the Volume-based Fee services will be determined with reference to (i) prevailing government-prescribed prices or guiding prices (if any and as applicable) promulgated by the PRC government for the provision of the services, (ii) the Prevailing Market Prices for similar and/or other comparable services on general commercial terms as conducted in the ordinary course of business from independent sources; and/or (iii) prices by reasonable Cost-Plus Pricing model taking into account of the anticipated operational costs to be incurred for rendering the services, among others, labour costs, travel expenses, material costs, administration costs and sub-contracting costs (if any) plus a profit margin and subject to inflationary adjustments.

We have obtained and reviewed the Valuation Quotas of Bill of Quantities of Construction Projects in Sichuan Province* (“四川省建設工程工程量清單計價定額”) which set out the guiding prices for different types of engineering labour services to be performed in Sichuan Province, the PRC. We have reviewed the calculation of the expected labour cost for engineering labour services and note that the rate is adopted according to the pricing guidelines set out in the official website of Sichuan Provincial Department of Housing and Urban-Rural Development.

As all mining camps of Huili Caitong, Xiushuihe Mining and Yanyuan Xigang are located in Liangshan Prefecture, which is under the administrative jurisdiction of Sichuan Province, we consider the reference of the Valuation Quotas of Bill of Quantities of Construction Projects in Sichuan Province to be an appropriate and reasonable proxy in determining labour cost estimates, and thus, we concur with the views of the Directors that the pricing policies adopted by the Group on engineering labour services is justifiable. We further note that the Group has cross-validated its pricing approach by obtaining Independent Third Party service providers for similar service scopes under the 2026 FM Framework Agreements such that the estimated fees have been benchmarked and set on terms which are on normal commercial terms or better for the Group;

– We understand from the management of the Company that for vehicle leasing services, the pricing is determined by Cost-Plus Pricing model. We have obtained and reviewed the pricing calculation and note that it is determined with (i) the cost comprised mainly the monthly depreciation of the relevant vehicles under straight-line method; and (ii) plus a certain operating margin. The Company currently leases 8 vehicles under the 2023 FM Framework Agreements. We have obtained from the Company 2 quotations from 2 Independent Third Party service providers in respect of the vehicle leasing services with similar models of vehicles proposed to be leased under the 2026 FM Framework Agreements, and we note that the pricing to be charged by the Group are marginally higher than the quotations offered by those Independent Third Party service providers. As such, we concur with the views of the Directors that the operating margin charged under Cost-Plus Pricing model by the Group is fair and reasonable and on normal commercial terms or better so far as the Independent Shareholders are concerned;

– As discussed with the management of the Company, we note that there is no historical transactions between the Group and Huili Caitong, Xiushuihe Mining and Yanyuan Xigang in respect of consultancy service under Volume-based Fee Services. We were given to understand that the Company will continue to adopt the internal control procedures established since 2023 on pricing to ensure that the pricing and terms of all Volume-based Fee Services are conducted on normal commercial terms and in accordance with the pricing policy of the Group. We have obtained and reviewed the Company's written internal control measures relating to the transactions contemplated under the 2026 FM Framework Agreements and note that:

(i) the relevant personnel of the business department will supervise and monitor the pricing policy to ensure the relevant continuing connected transaction is conducted on normal commercial terms and will not be prejudicial to the interest of the Company and the Shareholders as a whole;

(ii) prior to entering into any Specific Agreements, the relevant departments, among others, the operation department, the legal and compliance department, the finance department and the management of the Group will review, assess and approve the terms to ensure they are consistent with the principles and provisions set out in the 2026 FM Framework Agreements and in accordance with the aforesaid pricing policy;

(iii) the general manager of the provision of FM Services segment will reassess the parameters used in the budget and projection worksheet which will be reviewed by one of the executive directors of the Company; and will obtain Independent Third Party quotations to ensure the pricing charged by the Group are benchmarked and on terms which are on normal commercial or better for the Group;

(iv) the finance department will compile and consolidate the transaction amounts under the 2026 FM Framework Agreements derived for every month and prepare the annual transaction amount estimation for the legal and compliance department to review and confirm that the annual caps are not exceeded, and the details will then be reported to the management of the Company and the Board on a quarterly basis;

(v) if the annual caps are expected to be exceeded, the finance department shall promptly report to the IBC and take necessary measures, including obtaining approval of the revised annual caps from the Independent Shareholders and suspend any transactions under the relevant Specific Agreements before re-compliance of relevant Listing Rules;

(vi) the finance department and the legal and compliance department will conduct regular random checks to review and assess whether the transactions contemplated under the 2026 FM Framework Agreements and any Specific Agreements, among others, pricing methodology and pertinent terms, are conducted in accordance with the terms set out in the respective agreements (including conduct of market comparison check if necessary), and report the result of random checks to the management of the Company and the Board;

(vii) the Group's internal auditor will conduct regular review on the effectiveness of the internal control system in place to ensure that the connected transactions are entered into in accordance with the terms set out in the 2026 FM Framework Agreements;

(viii) the Group's external auditor will conduct an annual review of the transactions entered into under the 2026 FM Framework Agreements in accordance with the relevant requirements under the Listing Rules; and

(ix) the Company's independent non-executive Directors, will conduct annual review, of the status of the transactions contemplated under the 2026 FM Framework Agreements to ensure that the Group has complied with its internal approval process, the terms of the 2026 FM Framework Agreements and the relevant requirements under the Listing Rules.

Based on the above, we concur with the Directors' view that the internal control measures are adequate in place to ensure the transactions contemplated under the 2026 FM Framework Agreements will be conducted on normal commercial terms.

After taking into consideration that (i) the pricing to be charged by the Group for the Fixed Fee Services in aggregate are marginally higher than the quotations offered by other Independent Third Party service providers; (ii) the engineering labour services under the Volume-based Fee Services will be priced with reference to the Valuation Quotas of Bill of Quantities of Construction Projects in Sichuan Province* ("四川省建設工程工程量清單計價定額") issued by the relevant authority of Sichuan Province; (iii) the pricing to be charged by the Group for the vehicle leasing services is marginally higher than the quotations offered by other Independent Third Party service providers; (iv) since there are no historical transactions between the Group and Huili Caitong, Xiushuihe Mining and Yanyuan Xigang in respect of other Volume-based Fee Services, and the Company will adopt the internal control procedures on pricing to ensure that the pricing and terms of the such Volume-based Fee Services are conducted on normal commercial terms and in accordance with the pricing policy of the Group; and (v) the internal control measures are adequate in place to ensure the transactions contemplated under the 2026 FM Framework Agreements will be conducted on normal commercial terms, we concur with the Directors' view that the terms of the 2026 FM Framework Agreements are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned.

2.5 The Proposed Annual Caps

The proposed annual caps for the transactions contemplated under the 2026 FM Framework Agreements for the years ending 31 December 2026, 2027 and 2028 are set out as below:

	For the years ending December 31,		
	2026	**2027**	**2028**
	(RMB in million)		
Proposed annual cap of service fees contemplated under the 2026 Huili FM Agreement	34.0	34.0	34.0
Proposed annual cap of service fees contemplated under the 2026 Yanyuan FM Agreement	4.0	4.0	4.0
Proposed annual caps on an aggregate basis	38.0	38.0	38.0

The proposed annual caps for the transactions contemplated under the 2026 FM Framework Agreements are arrived at after taking into consideration of, among others, the following:

(i) historical transaction amounts arising from the 2023 FM Framework Agreements;

(ii) the scope and scale of the FM Services required, including the extended and integrated logistic, industrial and commercial property management services. In general, these services collectively cover 3 mining camp sites with an aggregate site area of approximately 223,320 square metres, and potentially covering certain scopes of FM Services relating to commercial properties with an estimated built-up area of approximately 4,000 square metres.

The engineering labour services were estimated based on approximately 5% of the total projected capital expenditure for each mining camp site. For vehicle leasing services were estimated based on leasing of not more than 10 vehicles to support on-site operational needs;

(iii) the types, locations and conditions of the facilities, including, among others, the level of complexity and the topography of the 2 vanadium bearing iron ores mines and 1 coal mine which are located in Liangshan Prefecture with logistics network covering a service radius of up to approximately 700 km; which may require deployment of up to 108 skilled labour, 11 units of specialised mining equipment, and 24 units of on-site infrastructure equipment facilities for delivery management and logistics supports;

(iv) the projected total staffing requirement of approximately 330 staff and labourers, including managers, general workers and technical skilled labours;

(v) cost-plus pricing model taking into account of the anticipated operational costs to be incurred for rendering the services, among others, labour costs, travel expenses, material costs, administration costs and sub-contracting costs (if any) as stipulated in (i) to (iv) above, plus a profit margin and subject to inflationary adjustments. In particular, the labour cost component of the engineering labour services include an upward adjustment of approximately 15.21%, effective from second half of 2025, which has been estimated with reference to the Valuation Quotas of Bill of Quantities of Construction Projects in Sichuan Province;

(vi) the anticipated demand and extended scopes based on the operational requirements during the term of the 2026 FM Framework Agreements; and

(vii) the buffer (being approximately 5%) budgeted to cope with potential increase in the relevant service demands, as well as estimated increase in average market prices for similar services due to (a) expected increase in costs caused by inflation, and economic and social development during the term of the 2026 FM Framework Agreements; and (b) the possibility of adjustment of total service fees for the scope of services due to unforeseen circumstances.

As set out in the Letter from the Board, the annual caps and the historical actual amounts recorded for the period from 1 January 2023 to 31 October 2025 in relation to the 2023 FM Framework Agreements are approximately set out as below:

(RMB in million)	**2023 Huili FM Agreement**	
	Annual	**Actual amount**
Period	**Cap**	**recorded**
1 January 2023 to 31 December 2023	23.0	16.8
1 January 2024 to 31 December 2024	30.0	18.5
1 January 2025 to 31 December 2025	30.0	13.8[(1)]

(RMB in million)	**2023 Yanyuan FM Agreement**	
	Annual	**Actual amount**
Period	**Cap**	**recorded**
1 January 2023 to 31 December 2023	3.0	2.0
1 January 2024 to 31 December 2024	4.0	1.7
1 January 2025 to 31 December 2025	4.0	0.1[(1)]

Note:

(1) Based on the actual transactions amounts for the period ended from 1 January 2025 to 31 October 2025.

In assessing the fairness and reasonableness of the aforesaid bases and assumptions adopted by the Board in arriving the proposed annual caps under the 2026 FM Framework Agreements, we have (i) discussed with the management of the Company regarding the bases and assumptions; and (ii) obtained and reviewed the computations prepared by the management of the Company in arriving the proposed annual caps under the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement.

Under the 2023 Yanyuan FM Agreement, the annual cap for 2025 is RMB4.0 million, whereas the actual transaction amount recorded for the period from 1 January 2025 to 31 October 2025 is only approximately RMB0.1 million. We are given to understand that the significant shortfall, from October 2024 onwards, was primarily due to the slowdown in development activities of Yanyuan Xigang, which in turn reduced the required service requirements and resulted in lower transaction amounts. Notwithstanding the above, based on its operational plan, Yanyuan Xigang anticipates that its mining camp will progressively resume to normal operating levels, starting from first quarter of 2026. Having regard to the planned development and the anticipated corresponding increase in service requirements, the proposed annual caps under the 2026 Yanyuan FM Agreement remain at RMB4.0 million for each of the three years ending 31 December 2028.

We understand from the aforesaid computations that the proposed annual caps mainly comprised (i) the estimated transaction amounts in relation to the Fixed Fee Services provided to Huili Caitong, Xiushuihe Mining and Yanyuan Xigang; (ii) the estimated transaction amounts in relation to the Volume-based Fee Services provided to Huili Caitong, Xiushuihe Mining and Yanyuan Xigang; and (iii) a buffer of approximately 5%.

In respect of the estimated transaction amounts in relation to the Fixed Fee Services provided to Huili Caitong, Xiushuihe Mining and Yanyuan Xigang, we are given to understand from the management of the Company that the provision of Fixed Fee Services are labour intensive. As such, we note from the aforesaid computations that such estimated transaction amounts are determined with reference to (a) the number of labour involved for the provision of Fixed Fee Services; (b) the monthly fee to be charged by the Group for each of the labour involved which are determined with reference to the monthly salary of the labour as well as their relevant employment social benefits etc; and (c) fees as negotiated by the contractual parties. The estimated number of staff and labour involved for the provision of Fixed Fee Services is approximately 330, including managers, general workers and technical skilled labours, for each of the coming three years with the average estimated headcount cost ranging from RMB3,000 to RMB15,000 per month.

In respect to the estimated transaction amounts in relation to the Volume-based Fee Services provided to Huili Caitong, Xiushuihe Mining and Yanyuan Xigang, we note from the computations that such services mainly comprise engineering labour services and vehicle leasing services.

– For the engineering labour services, we note that from the computation that it is determined based on (a) the estimated volume of engineering work required for the three years ending 31 December 2028 with reference to the average historical engineering investment amounts from 2024 and 2025 on the respective mines of Huili Caitong, Xiushuihe Mining and Yanyuan Xigang; (b) the estimated price of engineering work with reference to the Valuation Quotas of Bill of Quantities of Construction Projects in Sichuan Province* ("四川省建設工程工程量清單計價定額") issued by the relevant government of Sichuan Province; and (c) fees as negotiated by the parties. We have discussed with the management of the Company and are given to understand that the estimated volume of engineering work has been determined with reference to the internal assessments of Huili Caitong, Xiushuihe Mining and Yanyuan Xigang, taking into account historical investment levels and their anticipated project requirements. The operating margins are determined with reference to the Company's internal estimation and the estimated fees will be cross-validated against quotations by Independent Third Party service providers prior to entering into actual contract, based on finalised scope of engineering services.

– For vehicle leasing services, we note from the computations that the estimated transaction amounts are determined based on (a) the number of vehicles required; (b) monthly depreciation calculated on straight-line basis; and (c) operating margins as negotiated by the contractual parties. We have discussed with the management of the Company and are given to understand that there were average 8 vehicles historically in use in the three mining camp sites and the operating margin is determined with reference to historical margin charged by the Company and the estimated fees will be cross-validated against quotations by Independent Third Party service providers prior to entering into actual contract.

In light of the above, we are of the view that the proposed annual caps for the transactions contemplated under the 2026 Huili FM Agreement and the 2026 Yanyuan FM Agreement are determined based on reasonable estimation and after due and careful consideration and they are fair and reasonable so far as the Company and the Independent Shareholders are concerned.

RECOMMENDATION

Having considered the above-mentioned principal factors and reasons, we are of the view that the entering into of the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the respective proposed annual caps is in the ordinary and usual course of business of the Group, and is in the interests on the Company and the Shareholders as a whole, and the terms of the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the respective proposed annual caps are on normal commercial terms which are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders, as well as the IBC to recommend the Independent Shareholders, to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the 2026 FM Framework Agreements and the transactions contemplated thereunder, including the respective proposed annual caps.

Yours faithfully,
For and on behalf of
Goldlink Capital (Corporate Finance) Limited
Vincent Cheung
Managing Director

Mr. Vincent Cheung is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of Goldlink Capital (Corporate Finance) Limited to carry out type 6 (advising on corporate finance) regulated activities under the SFO and has over 15 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

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

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at the Latest Practicable Date, so far as is known to any Directors and chief executives of the Company, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) 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 were taken or deemed to have under such provisions of the SFO) or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group are made up) and up to the Latest Practicable Date, none of the Directors or proposed directors of the Company (if any) 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 were proposed to be acquired or disposed of by or leased to any member of the Group.

None of the Directors or proposed directors of the Company (if any) was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date and which is significant in relation to the business of the Group taken as a whole.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

To the best knowledge of the Directors or chief executives of the Company, as at the Latest Practicable Date, persons (other than the Directors or chief executives of the Company) who had interests or short positions 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, or as recorded in the register required to be kept by the Company under Section 336 of the SFO are as follows:

Long positions in Shares:

Name	*Notes*	Directly beneficially owned	Through parties acting in concert	Held in the capacity of person having a security interest in Shares	Total	Percentage of the Company's issued share capital
Trisonic International	*1, 4, 5 & 6*	1,006,754,000	–	–	1,006,754,000	44.76%
Kingston Grand Limited	*1, 2 & 4*	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Wang Jin	*1, 4 & 5*	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Yang Xianlu	*4*	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Wu Wendong	*4*	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Li Hesheng	*1 & 4*	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Shi Yinjun	*1 & 4*	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Zhang Yuangui	*1 & 4*	–	1,006,754,000	–	1,006,754,000	44.76%
Long Sino International Limited	*2, 3 & 4*	–	1,006,754,000	–	1,006,754,000	44.76%
Mr. Zou Hua	*3 & 4*	–	1,006,754,000	–	1,006,754,000	44.76%
Dujiangyan branch of Bank of China Limited	–	–	–	614,080,000	614,080,000	27.30%
Erie Investments Limited	–	202,892,000	–	–	202,892,000	9.02%

Notes:

1. The issued share capital of Trisonic International is held in the following manner: 3.0% by Mr. Li Hesheng, 42.6% by Mr. Wang Jin, 7.2% by Mr. Shi Yinjun, 7.2% by Mr. Zhang Yuangui and 40.0% by Kingston Grand Limited.

2. The issued share capital of Kingston Grand Limited is 100% held by Long Sino International Limited.

3. The issued share capital of Long Sino International Limited is 100% held by Mr. Zou Hua.

4. As at 31 December 2024, 1,006,754,000 Shares were held by Trisonic International. Since Trisonic International, Kingston Grand Limited, Messrs. Wang Jin, Yang Xianlu, Wu Wendong, Li Hesheng, Shi Yinjun, Zhang Yuangui, Long Sino International Limited, and Mr. Zou Hua were parties acting in concert, each of Kingston Grand Limited, Messrs. Wang Jin, Yang Xianlu, Wu Wendong, Li Hesheng, Shi Yinjun, Zhang Yuangui, Long Sino International Limited and Mr. Zou Hua was deemed to be interested in 1,006,754,000 Shares held by Trisonic International.

5. Mr. Wang Jin is a director of Trisonic International.

6. Trisonic International has granted a charge over 242,618,000 Shares of the Company, representing approximately 10.79% of the total issued Shares of the Company, in favour of a financial institution. The financial institution has exercised its rights under the charge and appointed receivers over the charged Shares.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified by any persons (other than the Directors or chief executives of the Company) who had interests or short positions 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, or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. SERVICE AGREEMENTS

As at the Latest Practicable Date, none of the Directors had a service contract with any member of the Group which was not determinable by the Company or the relevant member of the Group within one year without payment of compensation other than statutory compensation.

5. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors and his associates was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group which would otherwise be required to be disclosed under Rule 8.10 of the Listing Rules if any of such Directors or his associates was a controlling shareholder.

6. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there is no material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest audited consolidated financial statements of the Group were made up.

7. EXPERTS' QUALIFICATIONS AND CONSENTS

The IFA given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

Name	**Qualification**
Goldlink Capital (Corporate Finance) Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, the IFA did not have any direct or indirect interest in any asset which had been acquired, disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group, since 31 December 2024, being the date to which the latest audited financial statements of the Group was made up; and was not beneficially interested in the share capital of any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

8. DOCUMENTS ON DISPLAY

Copies of the following documents are available for in the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.chinavtmmining.com during the period of 14 days from the date of this circular:

(a) the 2026 Huili FM Agreement; and

(b) the 2026 Yanyuan FM Agreement.

9. MISCELLANEOUS

(a) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

(b) The principal place of business of the Company in Hong Kong is situated at Suite 3201, 32/F, Alexandra House, 18 Chater Road, Central, Hong Kong.

(c) The principal share registrar and the transfer agent of the Company is Suntera (Cayman) Limited at Suite 3204, Unit 2A, Block 3, Building D, P.O. Box 1586, Gardenia Court, Camana Bay, Grand Cayman, KY1-1110, Cayman Islands.

(d) The share registrar and the transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(e) The company secretary of the Company is Mr. Leung Ming Shan, John Bosco. Mr. Leung is a partner of Llinks Law Offices LLP and his primary contact person of the Company is Mr. Wang Hu, an executive Director.

(f) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text thereof.

China Vanadium Titano-Magnetite Mining Company Limited
中國釩鈦磁鐵礦業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00893)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of China Vanadium Titano-Magnetite Mining Company Limited (the "**Company**") will be held at City Tower, No. 86 Section 1, Renmin South Road, Qingyang District, Chengdu, the People's Republic of China at 2:30 p.m., or at any adjournment thereof, on Tuesday, 30 December 2025, for the purposes of considering and, if thought fit, approve the following ordinary resolution. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as defined in the circular of the Company dated 15 December 2025 (the "**Circular**").

ORDINARY RESOLUTION

1. "**THAT** the 2026 Huili FM Agreement, the terms set out thereof, and the transactions contemplated thereunder, together with the proposed annual caps as set out in the Circular for the three years ending 31 December 2028, be and are hereby approved, confirmed and ratified, and that any one of the directors of the Company be and is hereby authorised for and on behalf of the Company to take any action and execute any document (under seal, if necessary) as they consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the 2026 Huili FM Agreement and the transactions contemplated thereunder."

2. "**THAT** the 2026 Yanyuan FM Agreement, the terms set out thereof, and the transactions contemplated thereunder, together with the proposed annual caps as set out in the Circular for the three years ending 31 December 2028, be and are hereby approved, confirmed and ratified, and that any one of the directors of the Company be and is hereby authorised for and on behalf of the Company to take any action and execute any document (under seal, if necessary) as they consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the 2026 Yanyuan FM Agreement and the transactions contemplated thereunder."

By order of the Board of
China Vanadium Titano-Magnetite Mining Company Limited
Teh Wing Kwan
Chairman

Hong Kong, 15 December 2025

Principal place of business in Hong Kong:
Suite 3201, 32/F
Alexandra House
18 Chater Road
Central, Hong Kong

Notes:

1. Any member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

2. A form of proxy for use at the EGM is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, at the office of the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at least 48 hours before the time appointed for the holding of the extraordinary general meeting (or any adjournment thereof).

3. The register of members will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025, both days inclusive, during which no transfer of shares will be registered. In order to be entitled to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 22 December 2025.

4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

5. The EGM is expected to last for less than half a day. Members (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses. Members or their proxies attending the EGM shall present their identity certifications.

6. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.

7. If a typhoon signal No. 8 or above is hoisted or a "black" rainstorm warning signal is in force at or at any time after 7:00 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the website of the Company (**www.chinavtmmining.com**) and the website of The Stock Exchange of Hong Kong Limited (**www.hkexnews.hk**) to notify shareholders of the date, time and place of the adjourned meeting. The EGM will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the EGM under bad weather conditions bearing in mind their own situations.

8. All times refer to Hong Kong local time, except as otherwise stated.

As at the date of this notice, the Board comprises Mr. Teh Wing Kwan (Chairman) as non-executive Director, Mr. Hao Xiemin (Chief Executive Officer) and Mr. Wang Hu as executive Directors, and Mr. Yu Haizong, Mr. Liu Yi, Mr. Wu Wen and Mdm. Tang Guoqiong as independent non-executive Directors.