



CHINA MINING INTERNATIONAL LIMITED

中矿国际有限公司

(Incorporated in the Cayman Islands)

(Company Registration No. CT-140095)

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**CLARIFICATION ANNOUNCEMENT IN RESPONSE TO QUERIES RAISED BY THE SINGAPORE  
EXCHANGE REGULATION RELATING TO THE COMPANY'S PUBLISHED ANNUAL REPORT  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024**

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The Board of Directors (the “**Board**”) of China Mining International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the questions raised by the Singapore Exchange Regulation (“**SGX RegCo**”) relating to the Annual Report for the financial period ended 31 December 2024.

The Board appends below its corresponding replies to the questions raised by SGX RegCo:

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**SGX RegCo's Query 1:**

Pursuant to Listing Rule 1207(20), an issuer is to provide in the annual report a status report on the use of IPO proceeds and any proceeds arising from any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use and is in accordance with the percentage allocated in the prospectus or the announcement of the issuer. Where the proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital.

It is disclosed on page 144 of the annual report that the Company utilised S\$568,077 of the proceeds from the Tranche A Placement for “working capital needs of the Group (including expenses relating to professional services and administration”. Please provide a breakdown with specific details on the use of proceeds for working capital amounting to S\$568,077.

**The Company's Response:**

Please find the breakdown of the use of proceeds for working capital amount to SGD 568,077 for professional services and administration cost from January 2024 to June 2024. SGD 274,776.41 was utilized for administration cost including Rental, Staff costs and other operational expenses, and SGD 293,300.59 was utilized for professional cost including audit fee, company secretary fee etc.

Breakdown on the use of proceeds for working capital amounting to SGD 568,077 from 4 January 2024 to 30 June 2024

<b>Administration</b>	<b>SGD equivalent</b>
Staff costs	115,883.78
Rental	73,188.36
Printing of annual report	19,973.51
SGX annual fee	19,205.07
Director's fee	14,266.62
Operational cost and other disbursement	13,254.16
Interest expense	10,450.67
Electricity	5,513.64
Director training cost	4,036.66
Tax payment	4,013.30
Central Depository fee	3,572.45
Annual meeting related cost	1,541.30
Company web-site maintenance	1,462.16
Insurance	574.41
<b>Administration sub-total</b>	<b><u>286,936.09</u></b>
<b>Professional Services</b>	
Audit fee	223,181.44
Company Secretary	35,099.09
Financial Consultant	12,857.67
Valuation fee	10,002.72
<b>Professional sub-total</b>	<b><u>281,140.91</u></b>
<b>Grand total</b>	<b><u>568,077.00</u></b>

**SGX RegCo's Query 2:**

Listing Rule 710A(2) states that an issuer must describe in its annual report its board diversity policy, including the following:

- (a) the issuer's targets to achieve diversity on its board;
- (b) the issuer's accompanying plans and timelines for achieving the targets;
- (c) the issuer's progress towards achieving the targets within the timelines; and
- (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the issuer.

We note the Company's disclosure on page 47 that "The NC, after reviewing the Board's composition, finds it well-comprised of individuals with substantial experience, providing a range of core competencies in accounting, finance, and business management. Given the Group's operations scale and business needs, the Board is considered appropriately sized and diverse, possessing the essential competencies for its effective functioning and decision-making."

Please elaborate on how the current Board composition, comprising of individuals with "range of core competencies in accounting, finance, and business management" specifically serves the needs and plans of the Company.

### **The Company's Response:**

#### **Board Members' Assessment**

The Board consists of five members whose expertise supports the Company's current challenges and its strategic goals, including transitioning to a "light-asset" model and diversifying revenue streams:

- **Guo Wenjun, Chief Executive Officer and Executive Chairman**  
Mr. Guo, with five years of experience as an investment director, initiated various cost-cutting measures, including company restructuring and sourcing cost-effective service providers while preserving efficiency. Mr. Guo is tasked to turn around the Company by actively sourcing new sustainable income, cutting costs, and improving business management. Additionally, he frequently communicates with external service providers, such as auditors and company secretaries, facilitating the timely completion of reports and shareholder meetings.
- **Tay Meng Heng, Lead Independent Director, Chairman of Audit Committee**  
Mr. Tay holds an accounting degree and is a fellow of the Institute of Singapore Chartered Accountants. He has over 20 years of experience in accounting, banking, and finance, including 19 years with listed companies in Singapore and Hong Kong. His tenure as acting CEO of a Singapore listed company from 2017 to 2019 further enhances his credentials. As Chairman of the Audit Committee, Mr. Tay offers financial insights to the Board in replying SGX RegCo inquiries. His guidance on verifying information and figures in the audit report and restructuring proposal ensures the Company meets compliance standards and provides a fair view to investors.
- **Dong Xincheng, Independent Director, Chairman of Nominating Committee and Remuneration Committee**  
Mr. Dong, a practicing lawyer in China for over 20 years and an independent director of Weiye Holdings Limited, a Hong Kong listed company, brings specialized legal expertise. His skills in debt negotiation and knowledge of Chinese bureaucracy are critical as the Company is facing loan repayment challenges, and his knowledge of Chinese law ensures compliance for the Company's Mainland China subsidiaries.
- **Seet Meng Wei, Javan, Independent Director**  
Mr. Seet has financial planning and management experience, including eight years as Vice President and Relationship Manager at DBS Bank, and current management roles in other financial and consultancy companies since 2021. This supports his position as a member of the Audit Committee. Leveraging his network, Mr. Seet plays a role in introducing new sources of business income, a critical contribution following the Company's return of agricultural farmland to the government.

- **Li Shi, Non-Executive Director**

Despite her engineering background, Ms. Li is strengthening her business management skills by pursuing an MBA. Her nine years' experience in supply chain and client relationship management support the Company's growth plans by fostering potential business opportunities.

#### Addressing Diversity and Skill Gaps

The Board meets the Company's minimum target of including at least one female director with Ms. Li's appointment. However, the Company acknowledges a gender imbalance, with four male and one female director.

The Company has established a target for board members to have varied experience in at least accounting, finance, and business management to provide the Board with an adequate balance of core competencies. Currently, the Board collectively has experience in finance, accounting, compliance, and relationship management; however, its collective business management skills and experience are relatively less dominant. The Board believes that further strengthening these skills could enhance decision-making diversity.

To address these areas, the Company initiated a search for a new board member in early January this year. A potential candidate has been identified, and discussions are ongoing to align her competencies with the Company's vision. The Company anticipates providing an update within the next three months, reflecting its commitment to a more balanced and capable board.

The Company is in a transition period, facing significant challenges from abrupt loan recalls, changes in the management team, and economic and policy uncertainty. The current Board fully acknowledges the difficulties the Company faces and has a united vision to turn the Company around. Visible progress has been made to address past issues, and efforts to turn the business around should yield results within the next year.

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#### **Cautionary Statement**

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. In the event of any doubt, they should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisers.

#### **BY ORDER OF THE BOARD**

Guo Wenjun

Executive Chairman and Chief Executive Officer

23 May 2025