



CHINA MINING INTERNATIONAL LIMITED

中矿国际有限公司
(Incorporated in the Cayman Islands)
(Company Registration No. CT-140095)

**CLARIFICATION ANNOUNCEMENT IN RESPONSE TO QUERIES RAISED BY THE SINGAPORE
EXCHANGE REGULATION RELATING TO THE COMPANY'S ANNOUNCEMENTS**

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 announcement entitled “Changes in subsidiaries for the second half of 2024 and updates on the disposal of mining rights” published on 27 January 2025 and the announcement entitled “Update on debt mediation” published on 19 February 2025 (together the “**Announcements**”).

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

SGX RegCo’s Query 1:

Please disclose: (i) when the Company was first made aware of the court summon from the Xingyang People’s Court of the People’s Republic of China.; (ii) the date on which the seizure was carried out; (iii) whether Zhongnong Huasheng intends to file an appeal against the court order.

The Company’s Response:

- (i) Zhongnong Huasheng Technology Co., Ltd. (“**Zhongnong Huasheng**”), a subsidiary of Company, first received court documents from the Xingyang People’s Court on 6 May 2024.
- (ii) The court-ordered seizure of fixed assets owned by Zhongnong Huasheng’s subsidiary, Henan Zhongnong Huasheng Industrial Co., Ltd., occurred on 19 February 2025.
- (iii) Zhongnong Huasheng does not intend to appeal the court order.

Timeline of Key Events:

- 21 May 2024: Zhongnong Huasheng reached a mediation agreement with Xingyang Poverty Alleviation and Development Service Center (the “**Debtor**”).
 - January 2025: Further mediation attempts took place and failed on 25 January 2025.
 - 26 January 2025: Zhongnong Huasheng received a seizure notice and informed the Company.
 - 27 January 2025: The Company’s management briefed the Board, and an announcement was issued.
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SGX RegCo’s Query 2:

Please disclose the amount owed to Xingyang Poverty Alleviation and Development Service Center (the “**Debtor**”), and whether any surplus following the repayment of the debt will be returned to Zhongnong Huasheng.

The Company's Response:

Zhongnong Huasheng owes RMB 11 million to the Debtor. Following repayment of the debt, any surplus from the seized assets will be returned to Zhongnong Huasheng.

SGX RegCo's Query 3:

It is disclosed in the 19 Feb 2025 Announcement that there was a court-ordered seizure of fixed assets owned by Henan Zhongnong Huasheng Industrial Co., Ltd, which valued at over RMB 15 million.

Please provide the Board's assessment on the impact on its Group's operations and financials arising from the court-ordered seizure of fixed assets, including whether the Group can continue to operate as a going concern and the base(s) for such a view(s).

The Company's Response:**Background on Seized Assets:**

The seized fixed assets, valued at over RMB 15 million, were primarily used for fruit grading and storage during the September-to-December harvest season. These assets pertain to Zhongnong Huasheng, the Company's agriculture business, which has faced significant challenges due to:

- Local government policies, including land requisitions for infrastructure projects (e.g., railway and pipeline engineering) since 2023, severely impairing biological assets.
- Administrative orders in 2024 mandating the return of substantial agricultural land, resulting in further losses.
- Tightened lending terms and loan recalls by debtors amid deteriorating market conditions.

Consequently, the agriculture business is currently suspended, lacking the conditions for sustainable operations. The Company has downsized this segment and implemented cost-cutting measures while engaging debtors on potential debt restructuring, including partial loan forgiveness and debt-to-equity swaps. Discussions remain ongoing, with updates to follow as material developments arise.

Impact on Operations and Financials:

- Agriculture Business: Operations remain suspended pending debtor agreements. Management will assess future viability based on negotiation outcomes and market conditions, determining whether to pivot the business or focus on other sectors.
- Group-Wide Impact: In a worst-case scenario (non-agreement and liquidation of agriculture assets), the Group's other business activities will face minimal disruption. The estimated financial impact includes:
 - Relief of RMB 23.8 million in debt under Zhongnong Huasheng.
 - A write-off of the agriculture business, reducing net asset value by RMB 7 million per the Unaudited Condensed Financial Statements for FY2024 ended 31 December 2024.

The Group will continue pursuing cost reductions and diversification into new revenue streams irrespective of the outcome.

Going Concern Assessment:

The Board believes the Group can continue as a going concern, supported by the following:

- Plans to secure RMB 10 million in financing to sustain operations and fund new business development over the next two financial years.
- Ongoing refinancing discussions with debtors.
- Strategic initiatives, including potential disposal of mining assets and partnerships with new investors.
- Cost-cutting measures and operational resilience in non-agriculture segments.

The Company will provide timely updates to shareholders and SGX on material developments.

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
4 March 2025