



**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 ANNOUNCEMENT ON 15 AUGUST 2024 IN RESPECT OF ITS HALF YEARLY UNAUDITED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 (“1H2024”) (THE “ANNOUNCEMENT”)**

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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**”) on 26 Aug 2024 relating to the Announcement.

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

**SGX RegCo's Query 1:**

It is disclosed that, “The reduction of selling and distribution expenses were mainly due to the costs cutting measures taken by the Group” and that “The decrease in general and administrative expenses were mainly due to the costs cutting measures taken by the Group.”

Please elaborate on these costs cutting measures taken by the Group during the 1H2024 which led to lower selling and distribution/ general and administrative expenses.

**The Company's Response**

**For the reduction of selling and distribution expenses, the Group had reduced the number of non-essential personnel for its marketing and selling. In addition, the Group had discontinued the mass-volume, low-margin products sold through the internet platform since 1H2023, the selling and distribution expenses had also reduced accordingly for the trading business.**

**The Group had streamlined the organisation; reduced the overall rented office area. optimised and rationalize the office expenses, reducing the general and administrative expenses wherever possible.**

**SGX RegCo's Query 2:**

Please provide an update on the status of the disposal of the Thabazimbi Mine Investment.

**The Company's Response**

**There are no further updates from our announcements dated 21 May 2024 and 30 May 2024. The Group will continues to work closely with the relevant parties for the disposal of underlying interests in Aero Wing Properties Pty Ltd. The Group will endeavour to update via SGXNET when there are significant developments.**

### **SGX RegCo's Query 3:**

It is noted that the Group has trade receivables and other receivables, deposits and prepayments amounting to RMB1,034,000 and RMB12,759,000 respectively.

Please disclose:

- a) the underlying transactions and the terms of the transactions relating to other receivables of RMB4,085,000;
- b) the ageing profile of the Group's trade and other receivables in bands of 3 months;
- c) the Company's plans to recover the trade and other receivables; and
- d) the Board's assessment on the recoverability of the Group's trade and other receivables, and the basis for such an assessment.

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

**a) The breakdown and nature of transaction of other receivables are as follows:**

	<b>RMB'000</b>
<b>Consulting service fee receivables</b>	<b>117</b>
<b>Security deposit for trading business</b>	<b>1,069</b>
<b>Compensation for land reclamation receivable</b>	<b>2,585</b>
<b>Prepaid labour charges</b>	<b>250</b>
<b>Others</b>	<b>64</b>
<b>Total</b>	<b>4,085</b>

**b) The aging profile of trade and other receivables are as follows:**

<b>RMB'000</b>	<b>0 to 90 days</b>	<b>91 to 180 days</b>	<b>&gt;180 days</b>
<b>Trade Receivables</b>			<b>1,034</b>
<b>Other Receivables</b>			<b>4,085</b>
<b>Total</b>			<b>5,119</b>

**c) The Group will continues its best efforts to cover the outstanding balances, including but not limited to legal proceedings, if necessary.**

**d) The Board had reviewed the impairment and recoverability of the trade and other receivables for its FY2023 financial statements dated 10 June 2024. The Board is of the view that the recoverability remains the same as at 30 June 2024. The Board will re-assess the recoverability of the Group's trade and other receivable during the financial year end at December 2024.**

### **SGX RegCo's Query 4:**

It is disclosed that, "The Group continues to receive financial support from Mr Guo Yinghui, a controlling shareholder of the Company, enabling it to operate as a going concern and meet its obligations as and when they fall due. Mr Guo Yinghui has agreed to provide additional funds should the Group requires working capital."

Please disclose the period of financial support and clarify the due diligence conducted to ascertain that the controlling shareholder would be able and willing to provide additional funds as required, taking into consideration the auditor's representation in the Company's FY2023 annual report that they had been unable to obtain sufficient appropriate audit evidence regarding Mr Guo Ying Hui's financial ability to provide financial support to the Group to enable the Group to operate as a going concern.

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

**The period of financial support is 2 years, which could be extended, if necessary. Mr Guo Yinghui had provided financial statements of his controlled companies, which had shown his financial abilities to support the Group, whenever necessary.**

**SGX RegCo's Query 5:**

It is disclosed in the FY2023 annual report that, "Management is also confident in renewing a bank loan of RMB 10,000,000 due on 21 June 2024 and obtaining a 3-year loan extension from a government agency for a loan of RMB 10,000,000, which had matured in April 2022." Please provide an update in this regard.

**The Company's Response**

**With regards to the bank loan, the Group is in negotiation with the bank and the third party guarantor company for the renewal of bank loan. As for the government agency loan, the Group had reached a preliminary consensus with the government agency that the loan will be partially repaid (RMB 3.5million) before the end of 2024 and the balance will be repaid in 2025.**

BY ORDER OF THE BOARD

Mr Guo Wenjun  
CEO & Executive Chairman

28 August 2024