Greenway Mining Group Limited
信盛礦業集團有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2133)

QUARTERLY UPDATE ON SUSPENSION OF TRADING

This announcement is made by Greenway Mining Group Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 19 March 2021, 30 March 2021, 1 April 2021, 23 April 2021, 18 June 2021, 30 June 2021, 18 August 2021, 30 September 2021, 7 November 2021, 24 December 2021, 11 February 2022, 25 March 2022, 30 June 2022 and 29 August 2022 (the “Announcements”), in relation to, among other things, (1) delay in publication of the 2020 and 2021 Annual Results and despatch of 2020 and 2021 Annual Report, (2) postponement of Board meeting, (3) suspension of trading, continued suspension of trading and the quarterly update on suspension of trading, (4) update on development of Myanmar mines, (5) Resumption Guidance and update on resumption progress, (6) delay in publication of 2021 and 2022 Interim Results and despatch of 2021 and 2022 Interim Reports, (7) postponement of Annual General Meeting and (8) business updates and proof of compliance with Rule 13.24 of the Listing Rules. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.
BUSINESS UPDATES AND PROOF OF COMPLIANCE WITH RULE 13.24 OF THE LISTING RULES

The Company is an investment holding company. The principal activities of its major subsidiaries are exploration, mining and preliminary processing of non-ferrous metals mineral resources, mainly including lead, zinc and silver, as well as the sales of non-ferrous metals concentrates in Myanmar and China.

The PRC mining projects of the Group have remained normal operation in exploration, mining and preliminary processing of non-ferrous metals mineral resources and sales of non-ferrous metals concentrates.

As disclosed in the announcement on 29 August 2022, the Myanmar projects of the Company are facing significant difficulties but the Company has been actively developing other overseas projects including the Subcontracting for the construction of mineral processing plants and Ocean freight business between China and Myanmar and will continue its best endeavour to ensure that the Group has sufficient levels of operations and assets to comply with Rule 13.24 of the Listing Rules.

In view of the latest development in the business operations and financial position of the Group, the Company is of the view that the Group has a sufficient level of operations and assets of sufficient value to support its operations to warrant the continued listing of the shares in compliance with Rule 13.24 of the Listing Rules.

As disclosed in the Announcements, the latest situation in Myanmar is as follows:

(i) The emergency in Myanmar has continued to worsen since early 2021. Although the Myanmar government has stepped up vigilance and increased patrols, public security has not improved. The Myanmar Official Media reported that the National Defence and Security Council announced the extension period of nationwide curfew and the state of emergency was extended to 31 January 2023. In addition, “Myanmar Today” news reported that on 27 May 2022, five employees from a large Chinese-funded copper mining company located in Sagaing Province, Myanmar, were arrested and detained by the Myanmar military, and two of them were killed. Moreover, the Myanmar military government continued to increase its military power and conduct military operations frequently. From July to September in 2022, numerous violent clashes broke out in Myanmar. The frequent military operations reflected that Myanmar is in a state of high tension and war is imminent at any time. Terrorist destruction and deadly incidents occur every day in towns and cities, including but not limited to the firing of cannons, shooting, homemade bombs, arson, drug trafficking, firearms smuggling, theft, murder, bank robbery activities, air raids and wars which causing civilian casualties and panic in the city. It is expected that social security may be more complicated in the short term.
(ii) The Consulate-General of the PRC in Mandalay reminded residents that due to the frequent occurrence of criminal cases such as burglary, kidnapping and extortion in Myanmar. If Chinese citizens insist on going to high-risk areas such as the northern or western states and borders of Myanmar, the effectiveness of obtaining assistance from the consulate may be affected. The Hong Kong government has recently received a number of cases about Myanmar fraud syndicates recruiting Hong Kong citizens. Victims of Hong Kong people have been imprisoned and extorted, attacked with electric baton, besieged, beaten, and forced to engage in fraudulent work by the fraud syndicate. The United States and Philippine embassies in Myanmar and the Hong Kong Security Bureau issued security alerts to Myanmar, reminding residents to avoid all non-essential travel to Myanmar due to the uncertain security situation there.

(iii) In September 2022, wars occurred again on a main export trading routes in Myanmar. Drivers were frightened by the sound of gunfire and stopped driving to avoid the war. The war damaged public transportations, trucks and cars, and some roads were suspended until further notice. In addition, most parts of Myanmar are also facing fuel shortages and supply difficulties. The armed set up toll roadblocks at the entries of the cities and/or some main export trading routes, and imposed tolls on vehicles and residents, which caused increasing the cost of land transportation. Some logistics and transportation services being forced to suspend operations. The Company expects that road security on other main export trading routes in Myanmar is still dangerous and/or wars may occur at any time. The Company is encountering significant challenges in the export of concentrates through road transportation from Myanmar to China.

(iv) With the emergence of new and more transmissible viral variants (including Delta virus and Omicron BA.4, BA.5, Ba.2.75 and BA.2.76 virus) in various provinces and cities, the Epidemic in Myanmar has been exacerbated. As at the date of this announcement, the cumulative number of confirmed cases increased to approximately 621,000 in Myanmar.

The abovementioned factors have caused the following unfavorable effects to the Company:

(i) The Company has made applications and/or renewal applications of the mining licenses and/or exploration licenses of the mines in Myanmar to the Myanmar government. As at the date of this announcement, the Company is still waiting for approval and response from the relevant authorities of the Myanmar government, but the progress is expected to be further delayed.

(ii) Due to frequent clashes happened between military coups and local militia from time to time near the Myanmar project of the Group, there are some military ambushes in the mountains nearby the mine and also numerous of assassination incidents. The Company expects that the broke out of a civil war may across Myanmar at any time. In order to ensure the safety of our employees, the Company has temporarily suspended the mining and operations of the Myanmar mines until the public security situation is recovered.
(iii) Due to the numerous explosions and terrorist attacks occurring in various towns and cities in Myanmar every day, the sale and purchase of explosives are strictly prohibited across the country, resulting in the lack of blasting materials for the mines of the Group in Myanmar. Therefore, the Group has to temporarily suspend the mine operation until the supply of blasting materials is recovered.

(iv) Due to the unfavorable factors caused by the Epidemic, the escalation of armed conflict, the continuation of the state of emergency and further economic sanctions imposed by some European and American countries, there are cash shortages and uncertain financial fluctuations in Myanmar. Certain Myanmar banks and other financial institutions imposed various degrees of restrictions and constraints on withdrawals and remittances, which further affected the Company’s daily operations, including but not limited to cash withdrawals and money transfers.

The Company will closely monitor and evaluate the status and development of the situation in Myanmar and the Epidemic, continue to adopt a prudent business strategy and take appropriate actions and countermeasures to minimize the adverse impacts to the Group.
UPDATE ON THE TIMELINE IN FULFILLING THE RESUMPTION CONDITIONS

The Company has been in discussions with professional advisers to explore, consider, implement available viable solutions and take other appropriate actions at the same time to fulfill the Resumption Guidance.

In view of the latest situation in Myanmar and the development of the Epidemic, to protect the safety of the Group’s employees and auditors, it is temporarily difficult for the audit team to travel to the Myanmar mines of the Group in person to collect all necessary audit evidence. Assuming that the situation in Myanmar improves within the year, the Epidemic is effectively controlled and significantly improved and no other unforeseen events occur, the following table sets forth the pending events and latest development in the expected timetable for resumption of trading in the shares of the Company:

<table>
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<tr>
<th>Key event</th>
<th>Timetable</th>
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<tbody>
<tr>
<td>Publication of the 2020 Annual Results</td>
<td>On or before 31 March 2023</td>
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<td>Publication of the 2020 Annual Report</td>
<td>On or before 31 March 2023</td>
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<td>Publication of the 2021 Interim Results</td>
<td>On or before 31 March 2023</td>
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<td>On or before 31 March 2023</td>
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<td>Publication of the 2022 Interim Results</td>
<td>On or before 31 March 2023</td>
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<td>Publication of the 2022 Interim Report</td>
<td>On or before 31 March 2023</td>
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<tr>
<td>Publication of the 2022 Annual Results</td>
<td>On or before 31 March 2023</td>
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<tr>
<td>Publication of the 2022 Annual Report</td>
<td>On or before 30 April 2023</td>
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<td>Resumption of trading in the shares of the Company</td>
<td>Subject to the Listing Review Committee review process and further assessment by the Board</td>
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This timetable is indicative only and any subsequent changes to the expected timetable will be announced by the Company.
SUBMISSION OF RESUMPTION PROPOSAL AND REQUEST FOR EXTENSION

On 21 September 2022, the Company submitted a letter to the Listing Division of the Exchange in relation to resumption proposal and to address the Resumption Guidance given by the Listing Division in resumption proposal on a case-by-case basis, at the same time striving to demonstrate that during the eighteen months period after the Company’s suspension of trading since 1 April 2021, the Company was able to complete a number of initiatives to resume trading and to put the Group’s business back on track under the severe impact of the emergency situation in Myanmar and the Epidemic.

Meanwhile, in its resumption proposal, the Company had filed a petition for the Listing Division to recommend the Listing Committee to extend the deadline for the Company to commence the delisting process by six months. The application of the extension is made because of following reasons:

(i) The Myanmar Official Media reported that the National Defence and Security Council announced the extension period of nationwide curfew and the state of emergency was extended to 31 January 2023;

(ii) The Consulate-General of the People’s Republic of China in Mandalay, the United States and Philippine embassies in Myanmar and the Hong Kong Security Bureau issued security alerts to Myanmar, reminding residents to avoid all non-essential travel to Myanmar due to the uncertain security situation there; and

(iii) The Chinese and Myanmar governments are extremely strict in controlling the Epidemic.

The Company is still working hard to complete the works, and regularly discloses business updates, the progress of the resumption of trading and the latest situation in Myanmar in the Announcements.

The Directors are confident that once the Company’s application for the extension is approved, the aforesaid solutions on the resumption conditions will be implemented with the efforts of the entire staffs of the Company in order to fulfill the resumption conditions and the interests of the shareholders of the Company can be protected. The Company will continue to commit itself and actively communicate with the Listing Division, in the hope that the Listing Division can support the Company’s application for extension.

The Company attaches great importance to the interests of the shareholders of the Company. In the event that the application for extension is neither recognized nor supported by the Listing Division and the Listing Committee is advised to delist the Company, the Company will use its best endeavor to act in accordance with the rules and regulations of the Listing Division, make reasonable efforts and never give up the case until the end.
CONTINUED TRADING SUSPENSION OF THE SHARES OF THE COMPANY

At the request of the Company, trading in its shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021 and will remain suspended until the release of the 2020 annual results, 2020 annual report, 2021 interim results, 2021 interim report, 2021 annual results, 2021 annual report, 2022 interim results and 2022 interim report.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Greenway Mining Group Limited
Lei Dejun
Executive Director

Hong Kong, 30 September 2022

As at the date of this announcement, the Board comprises Mr. Lei Dejun as executive director; Mr. Pan Junhong, Mr. Yin Bo, Mr. Chan Suk Ching and Mr. Zhang Yonghua as non-executive directors; and Mr. Ma Shirong, Mr. Chi Hongji and Mr. Dong Tao as independent non-executive directors.

*For identification purpose only