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## **South Manganese Investment Limited**

### **南方錳業投資有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 1091)**

#### **INSIDE INFORMATION AND RESUMPTION OF TRADING**

This announcement is made by South Manganese Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities 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).

On 11 August 2024, the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company received a legal letter (the “**Legal Letter**”) forwarded from Youfu Investment Co., Ltd. (“**Youfu**”), a substantial shareholder of the Company.

The Legal Letter refers to a post (the “**Post**”) published by a social media account of South Manganese Group Limited<sup>#</sup> (南方錳業集團有限責任公司) (“**SMG**”), a wholly-owned subsidiary of the Company, on 8 August 2024 (Company’s clarification: it should be 9 August 2024). It is stated in the Legal Letter that the content in the Post is incorrect and misleading, and may mislead the public to believe that there is loss of control of SMG by the Board, and thus, lose confidence in the Company. It is further stated in the Legal Letter that Youfu’s interest as a shareholder of the Company may be prejudiced, and it may consider bringing action(s) against the issuer of the incorrect information, demanding the withdrawal of the Post and claiming for damages.

It is set out in the Post that the employee representative meeting of SMG authorises the management of SMG to take control of SMG and the allegation against Mr. Zhang He and Mr. Xu Xiang (each an executive Director) on causing detriment to the interest of SMG and the rights of the employees of SMG. Further, the Board also received a complaint against Mr. Li Weijian and Mr. Li Junji (each an executive Director) on causing detriment to the interest of SMG and the rights of the employees of SMG.

The Board would like to clarify that (1) the Post was published without prior knowledge or approval of the Board, and the Board shall not be responsible for the content of the same; (2) there is no loss of control of SMG by the Board and the Company; and (3) the Board is in the course of engaging independent third party to investigate the allegation against Mr. Li Weijian, Mr. Li Junji, Mr. Zhang He and Mr. Xu Xiang on causing detriment to the interest of SMG and the rights of the employees of SMG. The Company considers that the business operation involved in the aforementioned matter does not represent a significant portion of the total revenue and total asset of the Company and the aforementioned matter does not have material impact on the financial condition of the Company as a whole. Further announcement(s) will be made by the Company if and when there are any updates in accordance with all applicable laws and regulations. Shareholders and potential investors are reminded to exercise caution, and to obtain accurate information in relation to the Group from the announcements published on the website of the Stock Exchange and on the website of the Company.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 12 August 2024 pending release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9: 00 a.m. on 14 August 2024.

**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  
**SOUTH MANGANESE INVESTMENT LIMITED**  
**Li Weijian**  
*Chairman and Chief Executive Officer*

Hong Kong, 13 August 2024

*As at the date of this announcement, the executive Directors are Mr. Li Weijian, Mr. Zhang He, Mr. Xu Xiang and Mr. Li Junji; the non-executive Directors are Ms. Cui Ling and Mr. Pan Shenghai; and the independent non-executive Directors are Mr. Zhang Yupeng, Mr. Yuan Mingliang and Mr. Lo Sze Hung.*

*# for identification purposes only*