IMPORTANT

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **South Manganese Investment Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

South Manganese Investment Limited
南方錳業投資有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 1091)

PROPOSALS FOR
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM of South Manganese Investment Limited to be held at Event Space C, 5/F, United Centre, 95 Queensway, Hong Kong on Friday, 6 June 2025 at 11:00 a.m. is set out on pages 24 to 27 of this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM (or any adjournment thereof) should you so wish.

Hong Kong, 13 May 2025

CONTENTS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

"AGM"	the annual general meeting of the Company to be held at Event Space C, 5/F, United Centre, 95 Queensway, Hong Kong on Friday, 6 June 2025 at 11:00 a.m.
"Audit Committee"	audit committee of the Board
"associate(s)"	has the same meaning as ascribed in the Listing Rules
"Board"	the board of Directors
"Bye-laws"	the bye-laws of the Company as amended, supplemented or modified from time to time
"Company"	South Manganese Investment Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1091.HK)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Guangxi Dameng"	廣西大錳錳業集團有限公司 (Guangxi Dameng Manganese Industry Group Co., Ltd.), a state-owned limited liability company established under the laws of the PRC on 30 July 2001, which is indirectly wholly-owned by the People's Government of Guangxi Zhuang Autonomous Region, PRC, and an indirect substantial shareholder of the Company
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Latest Practicable Date"	7 May 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Nomination Committee"	nomination committee of the Board
"PRC"	the People's Republic of China

"Remuneration Committee"	remuneration committee of the Board
"Repurchase Resolution"	the proposed ordinary resolution No. 5B set out in the notice of the AGM contained in this circular in respect of the approval of Share Repurchase Mandate
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholders"	holders of Shares
"Share Issue Mandate"	the general mandate proposed to be granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the proposed resolution
"Share Repurchase Mandate"	the general mandate proposed to be granted to the Directors to repurchase Shares up to 10% of the total number of Shares in issue as at the date of passing of the proposed resolution
"South Manganese Group"	South Manganese Group Limited, a company incorporated in the PRC with limited liability and an indirect wholly owned subsidiary of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers

South Manganese Investment Limited
南方錳業投資有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 1091)

Executive Directors:
Mr. Zhang Yi *(Chairman)*
Mr. Zhang He
Mr. Xu Xiang
Mr. Liu Yang
Mr. Pan Shenghai
Ms. Cui Ling

Non-executive Director:
Mr. Huang Chuangxin

Independent Non-executive Directors:
Mr. Zhang Yupeng
Mr. Yuan Mingliang
Mr. Lo Sze Hung
Mr. Zhou Jie
Mr. Luo Guihua
Mr. Wu Qi

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Headquarter in Hong Kong:
Room A02, 35th Floor
United Centre
95 Queensway
Admiralty
Hong Kong

13 May 2025

To Shareholders

Dear Sir or Madam,

PROPOSALS FOR RE-ELECTION OF DIRECTORS, GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM and information regarding resolutions, among others, to be proposed at the AGM relating to the approval of: (i) the re-election of Directors; (ii) the Share Issue Mandate and (iii) the Share Repurchase Mandate.

2. RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. Zhang Yi, Mr. Zhang He, Mr. Xu Xiang, Mr. Liu Yang, Mr. Pan Shenghai and Ms. Cui Ling; the non-executive Director is Mr. Huang Chuangxin; and the independent non-executive Directors are Mr. Zhang Yupeng, Mr. Yuan Mingliang, Mr. Lo Sze Hung, Mr. Zhou Jie, Mr. Luo Guihua and Mr. Wu Qi.

The Bye-laws require not less than one-third of the Directors to retire by rotation at each annual general meeting, and the retiring Directors are eligible to offer themselves for re-election. In the interests of good corporate governance, all Directors, being Mr. Zhang Yi, Mr. Zhang He, Mr. Xu Xiang, Mr. Liu Yang, Mr. Pan Shenghai, Ms. Cui Ling, Mr. Huang Chuangxin, Mr. Zhang Yupeng, Mr. Yuan Mingliang, Mr. Lo Sze Hung, Mr. Zhou Jie, Mr. Luo Guihua and Mr. Wu Qi would all retire at the AGM and, being eligible, would offer themselves for re-election by Shareholders.

The Nomination Committee has considered the structure, size, diversity profile and skill sets matrix of the current Board and has confirmed that each Director continues to possess the character, experience, integrity and the levels of skills, care and diligence required of a Director in respect of decisions to be taken at both the Board and, where applicable, committee levels to ensure the long-term sustainable success of the Company. The Nomination Committee has also reviewed the independence of Mr. Zhang Yupeng, Mr. Yuan Mingliang, Mr. Lo Sze Hung, Mr. Zhou Jie, Mr. Luo Guihua and Mr. Wu Qi, and has determined that each of them remains independent.

Further, the Nomination Committee has conducted an annual evaluation of the performance of the Board and its committees. It concluded that each Director continues to make effective and valuable contributions to the Board and demonstrates commitment to the role.

Details of the Directors who are proposed to be re-elected at the AGM as required to be disclosed under the Listing Rules are set out in Appendix I to this circular.

Further information about the Board's composition and diversity as well as the attendance record at the meetings of the Board and/or its committees and the general meetings of the Directors (including the retiring Directors) are disclosed in the corporate governance report of the 2024 annual report of the Company.

3. GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general mandate to allot, issue and deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the proposed resolution (i.e. the Share Issue Mandate).

The Share Issue Mandate will, if granted, remain effective until the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiry of the period within which the next annual general meeting of the Company is required by law or the Bye-laws to be held; or

(iii) its revocation, variation or renewal by an ordinary resolution of the Shareholders in general meeting of the Company.

In addition, if the Share Issue Mandate and Share Repurchase Mandate are granted, a separate ordinary resolution will be proposed at the AGM to increase the number of Shares which may be allotted and issued under the Share Issue Mandate by the number of Shares repurchased under the Share Repurchase Mandate (up to a maximum of 10% of the total number of Shares in issue as at the date of the grant of the Share Issue Mandate).

As at the Latest Practicable Date, there were 4,114,150,800 Shares in issue. Subject to the passing of the relevant ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the date of AGM, the Company would be authorised under the Share Issue Mandate to issue up to a maximum of 822,830,160 Shares.

4. GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed to grant to the Directors a general mandate to repurchase Shares up to 10% of the total number of Shares in issue as at the date of passing of the proposed resolution (i.e. the Share Repurchase Mandate).

The Share Repurchase Mandate will, if granted, remain in effect until the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiry of the period within which the next annual general meeting of the Company is required by law or the Bye-laws to be held; or

(iii) its revocation, variation or renewal by an ordinary resolution of the Shareholders in general meeting of the Company.

An explanatory statement in relation to the Share Repurchase Mandate is set out in Appendix II to this circular.

5. AGM

At the AGM, resolutions will be proposed to Shareholders in respect of ordinary business to be considered at the AGM. A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM (or any adjournment thereof) should you so wish.

6. VOTING BY POLL

Pursuant to rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

7. CLOSURE OF REGISTER OF MEMBERS

The transfer books and register of members will be closed from Tuesday, 3 June 2025 to Friday, 6 June 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 2 June 2025.

8. RECOMMENDATION

The Directors believe that the re-election of the Directors, the granting to the Directors of the Share Issue Mandate and the Share Repurchase Mandate and are in the best interests of the Company and Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the resolutions set out in the notice of the AGM contained in this circular.

Yours faithfully,
For and on behalf of the Board
South Manganese Investment Limited
Zhang Yi
Chairman

The following are the particulars (as required by the Listing Rules) of the Directors who will be eligible and offer themselves for re-election at the AGM:

Mr. Zhang Yi (張逸), aged 36, joined in 2024 and is currently the Chairman and an executive Director of the Company. He obtained his undergraduate degrees in environmental engineering and international economics and trade from Jinan University in July 2010. From May 2016 to October 2017, he worked as a securities representative of Hynar Water Group Co., Ltd.* (深水海納水務集團股份有限公司) (stock code: 300961.SZ). From July 2019 to August 2024, he was a deputy manager of the capital operation and securities affairs department and a securities representative of Hunan Chendian International Development Co., Ltd.* (湖南郴電國際發展股份有限公司) (stock code: 600969.SH).

Mr. Zhang is a member of the Remuneration Committee and Nomination Committee.

There is a service contract between the Company and Mr. Zhang. His appointment is for a term of three years commencing from 9 September 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Zhang is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Mr. Zhang may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Zhang is also eligible to participate in the Company's share option scheme (if any). Mr. Zhang's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

As at the Latest Practicable Date, Mr. Zhang did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhang does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Zhang has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Zhang that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Zhang He (張賀), aged 38, joined in 2020 and is currently an executive Director and a vice president of the Company. He is also a director of South Manganese Group and several subsidiaries of the Group. He obtained a master's degree in accounting from Jilin University in 2012. He has held various positions including assistant to the general manager of the seventh business development department in Huarong Securities Co., Ltd. and China Huarong International Holdings Limited (both are subsidiaries of China Huarong Asset Management Co., Ltd. ("**China Huarong**")). From 2016 to 2018, he served as the general manager of the risk management department of Huarong International Financial Holdings Limited (Stock Code: 0993.HK) (a subsidiary of China Huarong). Mr. Zhang He is familiar with the rules of domestic and overseas securities markets and the standardized operations of listed companies and has extensive company management work experience.

Mr. Zhang is a member of the Remuneration Committee and Nomination Committee.

There is a service contract between the Company and Mr. Zhang. His appointment is for a term of three years commencing from 22 December 2023 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Zhang is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Mr. Zhang may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Zhang is also eligible to participate in the Company's share option scheme (if any). Mr. Zhang's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

As at the Latest Practicable Date, Mr. Zhang did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhang does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Zhang has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Zhang that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Xu Xiang (徐翔), aged 30, joined in 2022 and is currently an executive Director and a vice president of the Company. He holds a double bachelor's degree in auditing from Nanjing Audit University. From 2017 to 2021, he worked in different audit firm and investment fund management company handling audit, investment and risk management works. Subsequently, he joined South Manganese Group in April 2021 as the general manager assistant. Mr. Xu holds the fund practitioner qualification certificate and securities industry qualification certificate. He has extensive experience in the fields of accounting, auditing, investment and risk management.

There is a service contract between the Company and Mr. Xu. His appointment is for a term of three years commencing from 25 March 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Xu is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Mr. Xu may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Xu is also eligible to participate in the Company's share option scheme (if any). Mr. Xu's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

As at the Latest Practicable Date, Mr. Xu did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Xu does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Xu has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Xu that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Liu Yang (劉陽), aged 42, joined in 2024 and is currently an executive Director of the Company. He obtained his bachelor's degree in law from Liaoning University in June 2006. From March 2013 to September 2016, he was the person in charge of the internal audit department of Bank of Jinzhou. From October 2016 to October 2019, he was the person in charge of the risk management department of Bank of Jinzhou. From October 2019 to August 2024, he served as the person in charge of the internal control and compliance department of Bank of Jinzhou.

There is a service contract between the Company and Mr. Liu. His appointment is for a term of three years commencing from 9 September 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Liu is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other Executive Director. Mr. Liu may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Liu is also eligible to participate in the Company's share option scheme (if any). Mr. Liu's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

As at the Latest Practicable Date, Mr. Liu did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Liu has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Liu that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Pan Shenghai (潘聲海), aged 55, joined in 2022 and is currently an executive Director of the Company. He graduated from Zhongnan University of Economics and Law with a bachelor degree in accounting. He worked as the manager of investment and development department of Guangxi Communications Industry Co., Ltd., which is a wholly owned subsidiary of Guangxi Communications Investment Group Co., Ltd. ("**Guangxi Communications Investment**", the indirect holding company of Guangxi Dameng (an indirect substantial shareholder of the Company)) from December 2009 to June 2015. He worked in Guangxi Communications Investment Trading Co., Ltd. (a wholly owned subsidiary of Guangxi Communications Investment) from July 2015 to October 2020, with his last position as the manager of the risk control department. Thereafter, he joined Guangxi Dameng in November 2020 as the head of the operation and management department and currently served as the vice general manager of Guangxi Dameng. Mr. Pan holds a PRC legal professional qualification certificate and a senior accountant qualification certificate. Mr. Pan has extensive experience in business management, risk control, investment development and other fields.

Mr. Pan is a member of the Remuneration Committee and Nomination Committee.

There is a service contract between the Company and Mr. Pan. His appointment is for a term of three years commencing from 28 October 2022 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Pan is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Mr. Pan may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Pan is also eligible to participate in the Company's share option scheme (if any). Mr. Pan's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

As at the Latest Practicable Date, Mr. Pan did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Pan does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Pan has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Pan that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Ms. Cui Ling (崔凌), aged 49, joined in 2019 and is currently an executive Director of the Company. Ms. Cui was the head of financial department of Linan Railway Co., Ltd. (an associate company of Guangxi Railway Investment Group Co., Ltd. ("**Guangxi Railway**", the direct controlling shareholder of Guangxi Dameng (an indirect substantial shareholder of the Company))) from 2011 to 2012. She has held a number of positions in Guangxi Railway and certain of its subsidiaries since May 2012 including the deputy head of finance and planning department of Guangxi Railway from 2014 to 2018. She served as the deputy general manager and chief financial officer of Guangxi Dameng from 2018 to 2021, and has been redesignated as a director of Guangxi Dameng since November 2021. Ms. Cui graduated from Beijing Jiaotong University with a major in accounting and has the certified senior accountant qualification in the PRC.

There is a service contract between the Company and Ms. Cui. Her appointment is for a term of three years commencing from 1 July 2022 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Ms. Cui is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Ms. Cui may at the discretion of the Company receive an annual bonus in addition to her normal remuneration. Apart from the aforesaid, Ms. Cui is also eligible to participate in the Company's share option scheme (if any). Ms. Cui's remuneration is proposed by the Remuneration Committee according to her experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

As at the Latest Practicable Date, Ms. Cui did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Cui does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Ms. Cui has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Ms. Cui that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with her re-election.

Mr. Huang Chuangxin (黃創新), aged 50, joined in 2024 as a non-executive Director of the Company. He graduated from Central University of Finance and Economics with a bachelor degree in economics. From July 1996 to May 2001, Mr. Huang served various positions mainly responsible for project management, financial management and joint venture management at China Guangxi Corporation For International Techno-Economic Cooperation* (中國廣西國際經濟技術合作公司). From May 2001 to March 2010, Mr. Huang was the director and chief financial officer of Nandan County Yuanyangqiao Hydropower Development Co., Ltd.* (南丹縣鴛鴦橋水電開發有限責任公司) (a subsidiary of Guangxi Guohong Economic Development Group Co., Ltd.* (廣西國宏經濟發展集團有限公司) at that time). He then served as the deputy manager of the investment department of Guangxi Guohong Economic Development Group Co., Ltd.* (廣西國宏經濟發展集團有限公司) from April 2010 to January 2012. From April 2012 to August 2020, Mr. Huang served Guangxi Liuzhou Beigang Xijiang Port Co., Ltd.* (廣西柳州北港西江港務有限公司) (formerly known as Guangxi Luzhai Tongzhou Logistics Co., Ltd.* (廣西鹿寨通洲物流有限公司)) with his last position as chairman. From May 2019 to November 2023, Mr. Huang was also the chairman and legal representative of Guangxi Liuzhou Hongyong Investment Co., Ltd.* (廣西柳州鴻勇投資有限公司). In January 2024, Mr. Huang joined Guangxi Dameng Manganese Industry Group Co., Ltd.* (廣西大錳錳業集團有限公司) (an indirect substantial shareholder of the Company) as the head of operations management department and has later become the head of international business department since May 2024. Mr. Huang holds the qualifications of engineer and assistant economist.

Mr. Huang is a member of the Audit Committee.

There is a service contract between the Company and Mr. Huang. Her appointment is for a term of three years commencing from 10 September 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. He is entitled to receive a director's fee of HK$300,000 per annum. The fee is in line with that paid by the Company to the other non executive Director. Apart from the aforesaid, Mr. Huang is also eligible to participate in the Company's share option scheme (if any). Mr. Huang's remuneration was proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and was approved by the Board.

As at the Latest Practicable Date, Mr. Huang did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Huang does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Huang has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Huang that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with her re-election.

Mr. Zhang Yupeng (張宇鵬), aged 44, joined in 2020 as an independent non-executive Director of the Company. He obtained a bachelor's degree in civil engineering from China University of Petroleum (East China) in 2003 and a master's degree in engineering from the International School of Software of Wuhan University in 2006. Mr. Zhang has held various positions in the General Office of the People's Government of Shandong Province, China. He is familiar with Chinese government operation procedures as well as the procedures and operations of capital operation projects. He is also conversant with the operation of investment and financing business, and is skillful at market analysis and modern enterprise management.

Mr. Zhang is the chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee.

There is a service contract between the Company and Mr. Zhang. His appointment is for a term of three years commencing from 22 December 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Zhang is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Mr. Zhang may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Zhang is also eligible to participate in the Company's share option scheme (if any). Mr. Zhang's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

Mr. Zhang met the independence guidelines as set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent. Therefore, the Board considers Mr. Zhang is still independent and should be re-elected.

As at the Latest Practicable Date, Mr. Zhang did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhang does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Zhang has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Zhang that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Yuan Mingliang (袁明亮), aged 57, joined in 2021 as an independent non-executive Director of the Company. He is the Chairman of Remuneration Committee and a member of Nomination Committee and Auditor Committee. He has been a professor of materials science and doctoral supervisor of Central South University since 2003. From 2004 to 2005, Mr. Yuan also worked as a senior visiting scholar at the University of Alberta in Canada for collaborative scientific research. From 2012 to 2017, he has served as a technical consultant successively for Nuokai Chemical Trading (Shanghai) Co., Ltd. (諾凱化工貿易(上海)有限公司), Guangxi Yuanchen New Energy Materials Co., Ltd. (廣西遠辰新能源材料有限責任公司) and Lingshan Jiaofeng Chemical Co., Ltd. (靈山縣驕豐化工有限公司). He was also responsible for the new product development, technology service and technology management as a project leader in partnership with many large domestic manganese processing enterprises such as Chenzhou Jinyitai Manganese Industry Co., Ltd. (郴州金怡泰錳業有限公司), Anhui Xinmengdu Technology Co., Ltd. (安徽新錳都科技有限公司).

Mr. Yuan is the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee.

There is a service contract between the Company and Mr. Yuan. His appointment is for a term of three years commencing from 31 March 2025 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Yuan is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Mr. Yuan may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Yuan is also eligible to participate in the Company's share option scheme (if any). Mr. Yuan's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

Mr. Yuan met the independence guidelines as set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent. Therefore, the Board considers Mr. Yuan is still independent and should be re-elected.

As at the Latest Practicable Date, Mr. Yuan did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yuan does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Yuan has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Yuan that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Lo Sze Hung (盧思鴻), aged 40, joined in 2022 as an independent non-executive Director of the Company. He obtained a degree of Bachelor of Business Administration (Professional Accountancy) from The Chinese University of Hong Kong in 2006. He has been a member of the Hong Kong Institute of Certified Public Accountants since January 2010. Mr. Lo worked for PricewaterhouseCoopers Hong Kong, from September 2006 to June 2015, with his last position as senior manager. He also worked at Hutchison Port Holdings Group from June 2015 to July 2017, as the group finance manager, and at Sino Vision Worldwide Holdings Limited (former stock code: 8086.HK), from July 2017 to February 2019, with his last position as the group chief financial officer and company secretary. Mr. Lo was the assistant general manager of the finance department of HKIA Services Holdings Limited (a subsidiary under Airport Authority Hong Kong) from February 2019 to February 2021. Mr. Lo joined Pine Care Group Limited (former stock code: 1989.HK) on 22 February 2021 as the chief financial officer and was appointed as company secretary on 13 April 2021.

Mr. Lo is the chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee.

There is a service contract between the Company and Mr. Lo. His appointment is for a term of three years commencing from 31 October 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Currently Mr. Lo is entitled to receive a director's fee of HK$300,000 per annum. The director's fee is in line with that paid by the Company to the other executive Director. Mr. Lo may at the discretion of the Company receive an annual bonus in addition to his normal remuneration. Apart from the aforesaid, Mr. Lo is also eligible to participate in the Company's share option scheme (if any). Mr. Lo's remuneration is proposed by the Remuneration Committee according to his experience, responsibility, market conditions and the Company's remuneration policy, and is approved by the Board.

Mr. Lo met the independence guidelines as set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent. Therefore, the Board considers Mr. Lo is still independent and should be re-elected.

As at the Latest Practicable Date, Mr. Lo did not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Lo does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Lo has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Lo that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Zhou Jie (周杰), aged 43, joined in 2024 as an independent non-executive Director of the Company. He obtained a bachelor degree of marketing from Anhui University of Technology in 2004. Mr. Zhou has extensive experience in marketing, advertising and project management. From August 2006 to August 2010, Mr. Zhou engaged in marketing and promotion works at Shanghai Zhongshi International Advertisement Co., Ltd.* (上海中視國際廣告有限公司). He then worked at CCTV Sports & Entertainment Co., Ltd.* (中視體育娛樂有限公司) as a project manager from August 2010 to January 2012. From August 2012 to August 2016, Mr. Zhou was the marketing director of Beijing Huodongbang Technology Co., Ltd.* (北京活動邦科技股份有限公司). In 2018, Mr. Zhou joined Alibaba Group and worked as a senior expert of its Digital Media and Entertainment Group (大文娛集團) from September 2018 to June 2020. After that, he served as a senior expert at the marketing department of the Local Services Group (本地生活集團) of Alibaba Group from June 2020 to October 2022. Since October 2023, Mr. Zhou has been the general manager of Beijing Zhongyihui Brand Management Co., Ltd.* (北京眾易匯品牌管理有限公司).

There is a service contract between the Company and Mr. Zhou. His appointment is for a term of three years commencing from 10 September 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. He is entitled to receive a director's fee of HK$300,000 per annum. The fee is in line with that paid by the Company to other independent non-executive Directors. Apart from the aforesaid, Mr. Zhou is also eligible to participate in the Company's share option scheme (if any). Mr. Zhou's remuneration was proposed by the Remuneration Committee of the Company according to his experience, responsibility, market conditions and the Company's remuneration policy, and was approved by the Board.

Mr. Zhou met the independence guidelines as set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent. Therefore, the Board considers Mr. Zhou is still independent and should be re-elected.

As at the Latest Practicable Date, Mr. Zhou does not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhou does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Zhou has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Zhou that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Luo Guihua (羅貴華), aged 59, joined in 2024 as an independent non-executive Director of the Company. He obtained his master degree in engineering from East China University of Science and Technology in 1990 and his degree in master of business administration through completing the Executive MBA programme of China Europe International Business School in 2008. He also holds the qualification as a senior engineer. From 1985 to 1993, Mr. Luo served as an associate professor at East China University of Science and Technology. From 1993 to 1998, he worked as the deputy general manager of Shanghai Huaming High-Tech (Group) Co., Ltd.* (上海華明高技術集團有限公司). Since 1998, Mr. Luo has been as the general manager and director of Shanghai Metinform System Co., Ltd.* (上海美華系統有限公司). He currently serves as the vice president of the Science and Technology Application Branch of the China Association of Port-of-Entry* (中國口岸協會科技應用分會), the vice president of the Shanghai International Trade Society* (上海國際貿易學會) and the vice president of the Shanghai Free Trade Zone Association* (上海保稅區域協會). He is also a part-time professor at various universities such as Shanghai Jiaotong University, Shanghai University of International Business and Economics, Shanghai Maritime University and the Chinese University of Hong Kong. With more than 26 years of practical experience, Mr. Luo is familiar with the application of information technology in international trade and logistics, as well as corporate strategy, product and technology innovation and organizational capacity building.

Mr. Luo served as an independent director of Shanghai Yanhua Smartech Group Co., Ltd.* (上海延華智慧科技(集團)股份有限公司) (stock code: 002178.SZ), a company listed on the Shenzhen Stock Exchange, from December 2012 to February 2018. He also served as an independent director of Jiangsu Feiliks International Logistics Inc.* (江蘇飛力達國際物流股份有限公司) (stock code: 300240.SZ), a company listed on the Shenzhen Stock Exchange, from May 2014 to September 2015.

There is a service contract between the Company and Mr. Luo. His appointment is for a term of three years commencing from 10 September 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. He is entitled to receive a director's fee of HK$300,000 per annum. The fee is in line with that paid by the Company to other independent non-executive Directors. Apart from the aforesaid, Mr. Luo is also eligible to participate in the Company's share option scheme (if any). Mr. Luo's remuneration was proposed by the Remuneration Committee of the Company according to his experience, responsibility, market conditions and the Company's remuneration policy, and was approved by the Board.

Mr. Luo met the independence guidelines as set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent. Therefore, the Board considers Mr. Luo is still independent and should be re-elected.

As at the Latest Practicable Date, Mr. Luo does not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Luo does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Luo has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Luo that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

Mr. Wu Qi (吳琦), aged 52, joined in 2024 as an independent non-executive Director of the Company. He graduated from Guangxi University of Science and Technology with a bachelor degree in law in 2007. Mr. Wu served as the general manager of Yizhou Hongrun Trading Co., Ltd.* (宜州市鴻潤貿易有限公司) from 2011 to 2012. He then worked as the general manager of Nanning Runmin Advertising Co., Ltd.* (南寧市潤民廣告有限公司) from 2012 to 2014. Since 2015, Mr. Wu has been a practicing lawyer at Guangxi Pengcheng Law Firm* (廣西鵬程律師事務所). He has also served as a legal advisor to government agencies and institutions such as the Guangxi Autonomous Region Overseas Chinese Federation* (廣西自治區僑聯) since 2019. Mr. Wu's area of legal practice focuses on civil and commercial legal affairs. He has extensive experience in handling complex commercial disputes, especially in contract disputes, corporate legal affairs and intellectual property protection. Mr. Wu was elected as a member of Yizhou Municipal People's Political Consultative Conference* (宜州市政協委員) in 2012.

There is a service contract between the Company and Mr. Wu. His appointment is for a term of three years commencing from 10 September 2024 but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. He is entitled to receive a director's fee of HK$300,000 per annum. The fee is in line with that paid by the Company to other independent non-executive Directors. Apart from the aforesaid, Mr. Wu is also eligible to participate in the Company's share option scheme (if any). Mr. Wu's remuneration was proposed by the Remuneration Committee of the Company according to his experience, responsibility, market conditions and the Company's remuneration policy, and was approved by the Board.

Mr. Wu met the independence guidelines as set out in Rule 3.13 of the Listing Rules and the Company has received his annual written independence confirmation and considered him to be independent. Therefore, the Board considers Mr. Wu is still independent and should be re-elected.

As at the Latest Practicable Date, Mr. Wu does not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wu does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company.

Save as disclosed above, Mr. Wu has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to Mr. Wu that is required to be disclosed pursuant to rules 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with his re-election.

This appendix serves as an explanatory statement as required by the Listing Rules to provide requisite information for you to consider whether to vote for or against the Resolution to be proposed at the 2025 AGM in relation to the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,114,150,800 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued and no Shares are repurchased prior to the AGM, the Company will be allowed, if the Repurchase Resolution is approved, to repurchase a maximum of 411,415,080 Shares representing not more than 10% of the total number of Shares in issue as at the date of passing of the Repurchase Resolution.

2. REASONS FOR REPURCHASE

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and Shareholders as a whole. Share repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and Shareholders as a whole.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Bye-laws and the applicable law of Bermuda.

There might be an adverse impact on the working capital or gearing position of the Company, as compared with the position disclosed in the audited consolidated financial statements of the Company as at 31 December 2024, in the event that the share repurchase under the Share Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors will not propose to exercise the Share Repurchase Mandate to an extent where it would, in the circumstances, have a material adverse effect on the working capital requirements or gearing levels of the Company or which in the opinion of the Directors are from time to time inappropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which Shares have traded on the Stock Exchange during the previous twelve months prior and up to the Latest Practicable Date are as follows:

		Share price (HK$)	
		Highest	**Lowest**
2024	May	0.640	0.425
	June	0.435	0.310
	July	0.320	0.227
	August	0.480	0.212
	September	0.425	0.305
	October	0.680	0.420
	November	0.470	0.360
	December	0.440	0.365
2025	January	0.385	0.335
	February	0.350	0.315
	March	0.385	0.315
	April	0.320	0.234
	May (up to Latest Practicable Date)	0.270	0.260

5. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning under the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Youfu Investment Co., Ltd., was interested in 994,260,000 Shares, representing approximately 24.17% of the issued Shares. Youfu Investment Co., Ltd. is wholly-owned by Mr. Sun Mingwen. In the event that the Directors exercise in full to repurchase Shares under the Share Repurchase Mandate, the shareholding of Youfu Investment Co., Ltd. would be increased to approximately 26.85% of the issued Shares. Such an increase would not give rise to an obligation to make a mandatory offer pursuant to Rule 26 of the Takeovers Code.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchases made under the Share Repurchase Mandate. The Directors have no intention to exercise the Share Repurchase Mandate which may result in a possible mandatory offer being made under the Takeovers Code. The Directors will use their best endeavours to ensure that the Share Repurchase Mandate will not be exercised to the extent that the number of Shares held by the public would be reduced to less than 25% of the issued share capital of the Company.

6. SHARE REPURCHASE BY THE COMPANY

Neither the Company nor any of its subsidiaries has repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

7. DISCLOSURE OF INTEREST

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company or its subsidiaries under the Share Repurchase Mandate if such mandate is approved by Shareholders.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Share Repurchase Mandate is approved by Shareholders.

8. GENERAL

Neither this Explanatory Statement nor the proposed Share Repurchase Mandate has any unusual features.

The Directors will exercise the power of the Company to make purchases pursuant to the proposed Share Repurchase Mandate in accordance with the Listing Rules and all applicable laws of Bermuda and Hong Kong. All the Shares repurchased by the Company pursuant to the Share Repurchase Mandate will be cancelled and will not be held as treasury Shares.

South Manganese Investment Limited
南方錳業投資有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 1091)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**") of South Manganese Investment Limited (the "**Company**") will be held at Event Space C, 5/F, United Centre, 95 Queensway, Hong Kong on 6 June 2025 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the report of the directors and the independent auditors' report for the year ended 31 December 2024.

2. To re-elect directors.

3. To authorise the board of directors to fix the directors' remuneration.

4. To re-appoint RSM Hong Kong as auditors of the Company and authorise the board of directors to fix the auditors' remuneration.

5. As special business to consider and, if thought fit, pass with or without amendment, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

A. "**THAT**:

(a) subject to paragraph (c) below and in substitution for all previous authorities, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company, which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and other rights, or issue warrants and other securities, which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the total number of shares of the Company allotted or to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company during the Relevant Period pursuant to the approval in paragraph (a) above, otherwise than pursuant to or in consequence of:

(i) a Rights Issue (as hereinafter defined); or

(ii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to option holders of shares in the Company; or

(iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company; or

(iv) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities;

shall not exceed 20 per cent. of the total number of shares of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

"**Relevant Period**" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law or the bye-laws of the Company to be held; or

(iii) the revocation, variation or renewal of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

"**Rights Issue**" means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong)."

B. "**THAT**:

(a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to make repurchase of its own shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange (as the case may be) and the Code on Takeovers and Mergers of the Securities and Futures Commission of Hong Kong be and is hereby generally and unconditionally approved;

(b) the total number of shares of the Company to be repurchased by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the total number of shares of the Company in issue at the date of passing of this resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and

(c) for the purposes of this resolution:

"**Relevant Period**" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law or the bye-laws of the Company to be held; or

(iii) the revocation, variation or renewal of this resolution by an ordinary resolution of the shareholders of the Company in general meeting."

C. "**THAT** conditional upon the passing of resolution nos. 5A and 5B, the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot shares be and is hereby extended by the addition to the total number of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the total number of shares of the Company repurchased by the Company under the authority granted by the resolution set out as resolution no. 5B, provided that such amount shall not exceed 10 per cent. of the total number of shares of the Company in issue as at the date of passing of this resolution."

By Order of the Board
South Manganese Investment Limited
Mr. Zhang Yi
Chairman

Hong Kong, 13 May 2025

Headquarter in Hong Kong:
Room A02,
35th Floor,
United Centre,
95 Queensway,
Admiralty,
Hong Kong

Notes:

(1) Any member of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company but must be present in person at the AGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.

(2) A form of proxy for use at the AGM is enclosed.

(3) To be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be returned to Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM (or any adjournment thereof) should you so wish.

(4) The transfer books and register of members will be closed from Tuesday, 3 June 2025 to Friday, 6 June 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 2 June 2025.

(5) If there are joint registered holders of a Share, any one of such joint holders may vote at the AGM, either personally or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders is present at the AGM personally or by proxy, that one of the joint holders so present whose name stands first in the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.

(6) In accordance with the Listing Rules, voting on the above ordinary resolutions will be taken by poll.

(7) With regard to resolution no. 2 set out in the notice convening this meeting, the board of directors of the Company proposes that the retiring Directors who will offer themselves for re-election, namely, Mr. Zhang Yi, Mr. Liu Yang, Mr. Huang Chuangxin, Mr. Zhou Jie, Mr. Luo Guihua and Mr. Wu Qi be re-elected as Directors of the Company. The details of the directors to be re-elected are set out in Appendix I to the circular to shareholders of the Company dated 13 May 2025.

As at the date of this circular, the executive Directors are Mr. Zhang Yi, Mr. Zhang He, Mr. Xu Xiang, Mr. Liu Yang, Mr. Pan Shenghai and Ms. Cui Ling; the non-executive Director is Mr. Huang Chuangxin; and the independent non-executive Directors are Mr. Zhang Yupeng, Mr. Yuan Mingliang, Mr. Lo Sze Hung, Mr. Zhou Jie, Mr. Luo Guihua and Mr. Wu Qi.