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CHINA KINGSTONE MINING HOLDINGS LIMITED

中國金石礦業控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1380)

PROPOSED ISSUE OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that, on 25 July 2025 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 18,000,000 Subscription Shares at the Subscription Price of HK$0.138 per Subscription Share.

Completion of the Subscription under the Subscription Agreement is not inter-conditional with each other.

The Subscription Shares represent (i) approximately 5.11% of the issued share capital of the Company as at the date of this announcement and (ii) approximately 4.86% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change in the issued share capital of the Company between the date of this announcement and the Closing Date save for the allotment and issue of the Subscription Shares).

The Subscription Price of HK$0.138 per Subscription Share represents: (i) a discount of approximately 19.77% over the closing price of HK$0.172 per Share as quoted on the Stock Exchange on 25 July 2025, being the date of the Subscription Agreement; and (ii) a discount of approximately 18.05% over the average closing price of HK$0.1684 per Share as quoted on the Stock Exchange for the last five consecutive Trading Days up to and including the Last Trading Day.

The Subscription Shares will be allotted and issued under the General Mandate. The gross proceeds of the Subscription are expected to be HK$2,484,000. After deducting the related expenses, the net proceeds of the Subscription will amount to approximately HK$2,419,000. The net Subscription Price, after deduction of all related expenses, is estimated to be approximately HK$0.1344 per Subscription Share. The Company intends to apply the net proceeds from the Subscription in the manner set out in the paragraph headed "Reasons for and benefits of the issue of the Subscription Shares" in this announcement.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

Shareholders and potential investors should note that Closing of the Subscription is subject to fulfilment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

THE SUBSCRIPTION AGREEMENT

The Board is pleased to announce that on 25 July 2025 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber.

The principal terms of the Subscription Agreement are set out as follows:

Date

25 July 2025 (after trading hours)

Parties

(1) the Company; and

(2) the Subscriber.

Subscription Shares

Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 18,000,000 Subscription Shares at the Subscription Price of HK$0.138 per Subscription Share to be paid by cash on the completion date of the Subscription Agreement.

The number of 18,000,000 Subscription Shares represents (i) approximately 5.11% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 4.86% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change in the issued share capital of the Company between the date of this announcement and the Closing Date save for the allotment and issue of the Subscription Shares).

Subscription Price

The Subscription Price of HK$0.138 per Subscription Share represents:

(1) a discount of approximately 19.77% to the closing price of HK$0.172 per Share as quoted on the Stock Exchange on 25 July 2025, being the date of the Subscription Agreement; and

(2) a discount of approximately 18.05% to the average closing price of HK$0.1684 per Share for the last five consecutive Trading Days up to and including the Last Trading Day.

The Subscription Price was determined after arm's length negotiations between the Company and the respective Subscriber after considering, among other things, the Company's past performance, the then prevailing market price of the Shares and the future prospects of the Company.

On the fifth Business Day following the satisfaction of the Conditions Precedent, or such date as the Company and the Subscriber may agree in writing, the Subscriber shall make full payment of the Subscription Price by way of wire transfer of immediately available funds to the Company.

Ranking

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with all other Shares in issue at the time of allotment and issue of the Subscription Shares.

Conditions Precedent

The obligations of the Subscriber to subscribe and pay for, and the obligations of the Company to issue, the Subscription Shares are subject to the fulfilment of the following Conditions Precedent:

(1) the Listing Committee of the Stock Exchange having granted or granting approval (irrespective of any conditions) for the listing of, and permission to deal in, the Subscription Shares and such approval has not been revoked and shall remain in full force prior to Closing;

(2) the Closing would not cause any person to be obliged to make a mandatory offer pursuant to the Takeovers Code;

(3) the current listing of the Shares not having been cancelled or withdrawn, the Shares continue to be traded on the Main Board of the Stock Exchange and neither the Stock Exchange nor the SFC has indicated that either one of them shall/may object to or shall/may cancel such listing for reasons related to or arising from any of the transactions contemplated under the Subscription Agreement prior to the date of the Closing; and

(4) there being no, or no prospective issue, promulgation or enforcement of laws, regulations, rules, orders or notices by government authority which would restrict or prohibit the Closing or which may reasonably have a substantial adverse impact on the relevant business operations of the members of the Group after the Closing.

As at the date of this announcement, none of the conditions set forth above has been fulfilled.

The Company will not allot and issue the Subscription Shares to the Subscriber until payment by the Subscriber, and the receipt by the Company of, the subscription price corresponding to the Subscription Shares in full.

Closing

Closing is subject to the satisfaction of the Conditions Precedent on or before 15 August 2025, or such other date as the Company and the Subscriber may agree.

If the above conditions precedent are not fulfilled on or before 15 August 2025, or such other date as the Company and the Subscriber may agree, the Subscription Agreement will immediately and automatically terminate. The Company and the Subscriber will be released from all obligations thereunder, save for any antecedent obligations or liabilities accrued prior to such termination and any obligations which shall survive such termination.

GENERAL MANDATE

The Subscription Shares will be allotted and issued under the General Mandate. The General Mandate entitles the Directors to allot and issue Shares not exceeding 20% of the total number of the issued Shares as at the date of the AGM. As at the date of the AGM, there were 338,095,384 Shares in issue and the Company is allowed under the General Mandate to issue, allot and deal with up to a maximum of 67,619,076 Shares. The Subscription will utilise approximately 26.62% of the General Mandate.

Since the date of the AGM and up to and including the date of this announcement, 14,202,112 Shares have been allotted and issued pursuant to the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares and the allotment and issue of the Subscription Shares will not be subject to the Shareholders' approval. After completion of the Subscription, 35,416,694 Shares are available to be allotted and issued under the General Mandate.

APPLICATION FOR LISTING

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

INFORMATION ON THE SUBSCRIBERS

The Subscriber is a citizen of the PRC.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Subscriber is a third party independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE ISSUE OF THE SUBSCRIPTION SHARES

The Group is principally engaged in the production and sales of marble and marble related products in the PRC.

The gross proceeds from the Subscription are expected to be HK$2,484,000. The Company estimates it will incur total costs of approximately HK$65,000 in respect of the Subscription. After deducting the related expenses (including but not limited to legal expenses), the net proceeds of the Subscription will amount to approximately HK$2,419,000. The net Subscription Price, after deducting the related expenses, is estimated to be approximately HK$0.1344 per Subscription Share. The Company intends to apply the net proceeds of the Subscription as its general working capital.

The Directors believe that the completion of the Subscription will provide a good opportunity to raise surplus capital for the Company while strengthening the financial position of the Company. Further, the Directors believe that the Subscription will allow the Company to receive additional funds at a reasonable cost to support the Group's existing operations and further development of its existing and potential business and investment opportunities.

Having considered the above, the Board is of the view that (i) the Subscription Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Subscribers; (ii) the terms of the Subscription Agreement are on normal commercial terms and are fair and reasonable; and (iii) the Subscription is in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, other than the entering into the Subscription Agreement, the Company has not entered into, or contemplated entering into, any other arrangements, agreements or understandings (whether formal or informal and whether express or implied) with the Subscriber. However, the proceeds from the Subscription may not satisfy the upcoming financial needs of the Company in full if there is any change of the Company's current circumstances or business plan. Therefore, the Board does not rule out the possibility that the Company will conduct further debt or equity fund raising exercises when suitable fund raising opportunities. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activity in the past twelve months immediately preceding the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
24 June 2025 and 2 July 2025	Issue of Shares under general mandate	The gross proceeds and the net proceeds of the subscription amounted to HK$2.41 million and approximately HK$2.36 million, respectively.	The issue of the shares was made in full and final settlement of a loan and its accrued interest.	All of the net proceeds were applied as intended
27 December 2024, 23 January 2025, 13 February 2025, 18 February 2025 and 27 February 2025	Rights issue on the basis of two rights shares for every five existing Shares	The gross proceeds and the net proceeds of the rights issue amounted to approximately HK$16.63 million and approximately HK$15.43 million, respectively.	The Company intended to apply the net proceeds from the Rights Issue as to approximately HK$10.94 million for general working capital of the Group, and as to approximately HK$4.49 million for investment in potential business opportunities.	All of the net proceeds were applied as intended.
11 November 2024 and 13 November 2024	Issue of Shares under general mandate	The gross proceeds and the net proceeds of the subscription amounted to HK$8 million and approximately HK$7.8 million, respectively.	The issue of the shares was made in full and final settlement of, among others, all and/or any actions, claims and rights, demands a creditor had or may have had against the Company arising out of or connected with a subscription agreement.	All of the net proceeds were applied as intended.

EFFECT ON SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 352,297,496 Shares in issue. The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Closing (assuming that there will be no further changes in the issued share capital of the Company from the date of this announcement and up to the Closing Date save for the allotment and issue of the Subscription Shares):

	Immediately before issuance of the Subscription Shares		**Immediately upon issuance of the Subscription Shares**	
Name of Shareholders	*No. of Shares*	*Approximate percentage (%) (Note)*	*No. of Shares*	*Approximate percentage (%) (Note)*
Kwok Sin Ting	80,500,000	22.85	80,500,000	21.74
Subscriber	2,112	–	18,002,112	4.86
Other public Shareholders (excluding the Subscribers)	271,795,384	77.15	271,795,384	73.40
Total	**352,297,496**	**100.00**	**370,297,496**	**100.00**

Note:

Certain percentage figures in this table have been subject to rounding adjustments to the nearest 2 decimal places. Accordingly, the aggregate of the percentage figures in the above table may not add up to 100%.

Shareholders and potential investors should note that Closing of the Subscription is subject to fulfillment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

"AGM"	the annual general meeting of the Company held on 29 May 2025
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday, Sunday, a public holiday in Hong Kong and any day on which a tropical cyclone warning no. 8 or above is hoisted or on which a "black" rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for business throughout their normal business hours
"Closing"	completion of the Subscription pursuant to the terms and conditions of the Subscription Agreement

"Closing Date"	the date on which Closing takes place
"Company"	China Kingstone Mining Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, and the shares of which are listed on the Stock Exchange (Stock Code: 1380)
"Conditions Precedent"	the conditions precedent to the Closing, as more particularly set out under the paragraph headed "The Subscription Agreement – Conditions precedent"
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"General Mandate"	the mandate granted to the Directors by the Shareholders at the AGM to issue, allot and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is/are third party(ies) independent of the Company and its connected person(s) in accordance with the Listing Rules
"Last Trading Day"	24 July 2025, being the last Trading Day immediately prior to the entering into of the Subscription Agreement
"Listing Committee"	has the meaning ascribed to it under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as amended, supplemented or as otherwise modified from time to time
"PRC"	the People's Republic of China, for the purpose of this announcement, not including Hong Kong, the Macau Special Administrative Region of the PRC, and Taiwan
"SFC"	the Securities and Futures Commission of Hong Kong
"Share(s)"	the ordinary share(s) of par value of HK$0.01 each in the capital of the Company

"Shareholder(s)"	the holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber A"	Zeng Jingfeng（曾境烽）
"Subscription"	the subscription of the Subscription Shares by the Subscribers at the Subscription Price pursuant to the Subscription Agreement
"Subscription Agreement"	the subscription agreement dated 25 July 2025 entered into between the Company and the Subscribers in relation to the Subscription
"Subscription Price"	the subscription price of HK$0.138 per Subscription Share
"Subscription Shares"	18,000,000 new Shares to be allotted and issued by the Company to the Subscribers pursuant to the terms and conditions of the Subscription Agreement
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Trading Day(s)"	the day(s) on which the Stock Exchange is open for business
"%"	per cent.

By Order of the Board
China Kingstone Mining Holdings Limited
Cheung Wai Kee
Company Secretary

Hong Kong, 25 July 2025

As at the date of this announcement, the Board comprises Ms. Zhang, Cuiwei, Mr. Zhang, Weijun and Mr. Zhang, Mian as executive Directors, and Mr. Andreas Varianos, Ms. Zu, Rui and Ms. Gu Yiran as independent non-executive Directors.