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Kinetic Development Group Limited
力量發展集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1277)

VOLUNTARY ANNOUNCEMENT UPDATE ON SUBSCRIPTION OF SHARES IN MC MINING AND PROGRESS OF THE MAKHADO PROJECT

Reference is made to the announcements of Kinetic Development Group Limited (the "**Company**") dated 26 August 2024, 13 September 2024, and 28 February 2025 (the "**Announcements**") in relation to the subscription of shares in MC Mining pursuant to the Share Subscription Agreement (as amended by the Amendment Agreement dated 28 February 2025). Unless otherwise defined, capitalised terms used herein shall have the same meaning as those defined in the Announcements.

COMPLETION OF FIRST TO FIFTH TRANCHES OF THE SECOND CLOSING

The Board is pleased to announce that the Company has successfully completed the first to fifth tranches of the Second Closings under the Amendment Agreement.

As the date of this announcement, the Company has subscribed for and been allotted an aggregate of 277,557,929 new ordinary shares of MC Mining. Following the completion of the first to fifth tranches of the Second Closing, the Company (together with its designee) holds approximately 40.13% of the enlarged issued share capital of MC Mining.

UPDATE ON THE MAKHADO PROJECT

MC Mining has continued to make steady progress on the Makhado Project, its flagship coal development in South Africa. Based on MC Mining's latest project updates:

Mining: The open-pit mine is currently undergoing overburden stripping, with a total of 2.77 million m^3 completed. The coal seam is expected to be exposed in November 2025. Subsequent coal recovery work will commence thereafter.

Coal Handling and Processing Plant: Civil foundational works are largely complete. Current activities focus on steelwork, mechanical, and equipment installations. Completion remains targeted for December 2025.

Infrastructure: The power supply, water supply, and road and bridge works in the mining area are progressing as planned, with completion expected by December 2025.

Operational Start-Up: Construction of the mining area infrastructure and coal processing plant is anticipated to be completed by December 2025, at which time the mining operations will be ready for coal output. Joint commissioning is expected to commence in January 2026.

STRATEGIC OUTLOOK

The Board believes that the Subscription, together with the ongoing development of the Makhado Project, represents a significant strategic opportunity for the Group to participate in the growth of a high-quality mining asset. The Company remains committed to supporting MC Mining's operational progress and to completing the subsequent tranches of the Second Closings, with the objective of ultimately holding 51.00% of MC Mining's ordinary shares on a fully diluted basis.

Shareholders and potential investors should be aware that the completion of the remaining tranches of Second Closings is subject to the satisfaction of various conditions precedent, which may or may not be fulfilled. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Kinetic Development Group Limited
Ju Wenzhong
Chairman and Executive Director

Hong Kong, 30 October 2025

As at the date of this announcement, the Board comprises seven Directors, of whom three are executive Directors, namely Mr. Ju Wenzhong (Chairman), Mr. Li Bo (Chief Executive Officer) and Mr. Ji Kunpeng; one is a non-executive Director, namely Ms. Zhang Lin, and three are independent non-executive Directors, namely Ms. Liu Peilian, Mr. Chen Liangnuan and Ms. Xue Hui.