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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)

VOLUNTARY ANNOUNCEMENT

The board of directors (the “**Board**”) of South Manganese Investment Limited (the “**Company**”) has noted the recent online publication of certain information concerning the Company, including its operating conditions. To the best of the Board's knowledge after making all reasonable inquiries, the relevant information is as follows:

1. The major raw materials for the Company's core products, namely electrolytic manganese metal and electrolytic manganese dioxide, include manganese ore, sulfuric acid and anode plates, the costs of which have increased over the past year. In response, the Company has from time to time reviewed and adjusted its cost structure and taken appropriate measures to control and reduce production costs.
2. The mining right of the Company's wholly-owned subsidiary, South Manganese Group Limited Tiandeng Manganese Mine Branch* (南方錳業集團有限責任公司天等錳礦分公司) (“**Tiandeng Branch**”), expired on 2 December 2024. As at the date of this announcement, the relevant mining right is still under application. Given that a valid mining right has not yet been obtained, part of Tiandeng Branch's manganese mine operations are currently suspended, resulting in significant losses. The Company is actively following up on the relevant application matters.
3. Due to persistently weak demand for manganese ore in the Zunyi region and high staff costs, the operating performance of the Company's non-wholly owned subsidiary, Guizhou Zunyi Hui Xing Ferroalloy Company Limited* (貴州遵義匯興鐵合金有限責任公司) (“**Zunyi Company**”), has suffered significant losses. The Company has been continuously evaluating feasible solutions to improve the operating conditions of Zunyi Company.

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

By order of the Board

SOUTH MANGANESE INVESTMENT LIMITED

Zhang He

Chairman

Hong Kong, 27 January 2026

As at the date of this announcement, the executive Directors are Mr. Zhang He, Mr. Xu Xiang, Mr. Liu Yang, Mr. Pan Shenghai, Ms. Cui Ling, Mr. An Wei, Mr. Zhan Haiqing, Mr. Ming Xianquan and Mr. Wan Weihua; the non-executive Director is Mr. Huang Chuangxin; and the independent non-executive Directors are Mr. Yuan Mingliang, Mr. Lo Sze Hung, Mr. Zhou Jie, Mr. Luo Guihua and Mr. Wu Qi.

** for identification purposes only*