Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Hidili Industry International Development Limited
恒鼎實業國際發展有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 01393)

QUARTERLY UPDATES ON IMPLEMENTATION OF THE ACTION PLANS IN RESOLVING DISCLAIMER OF OPINION ISSUED BY THE AUDITORS

This announcement is made by Hidili Industry International Development Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited 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).

References are made to the annual report of the Company for the year ended 31 December 2024 (the "**Annual Report**") published on 30 April 2025 and the announcements of the Company dated 31 July 2025 and 31 October 2025 (the "**Update Announcements**"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Annual Report and the Update Announcements.

As mentioned in the Annual Report, ZHONGHUI ANDA has issued Disclaimer of Opinion on the Group's consolidated financial statements for the year ended 31 December 2024, which arose solely from going concern issue of the Group.

The Company has provided an update on the implementation of the action plans in the Update Announcements. The purpose of this announcement is to inform the shareholder and potential investors of the Company with further supplemental information in relation to the implementation of the action plans in resolving the Disclaimer of Opinion from 1 November 2025 and up to the date of this announcement as follows:

(i) In 2024, Minsheng Bank and Ping An Bank (jointly dominating around 70% of the Company's bank borrowings) disposed their respective debts to a PRC financial institution. The Company has submitted a revised repayment proposal and key commercial terms to the financial institution, waiving part of the principal and all accrued interest, and extending the remaining loan term to over one year and within five years. Currently, the financial institution is undergoing internal review and has requested for supplemental information. The Company is actively cooperating with the financial institution to complete the relevant procedures as soon as possible.

Besides, the Company has held several negotiations with the remaining PRC Lending Banks for major commercial terms of the preliminary repayment proposals. As at the date of this announcement, no agreement has been reached regarding the repayment proposals. The Company will actively communicate and negotiate with all relevant parties to reach a consensus as soon as possible.

Further announcement(s) will be made by the Company to inform shareholders and other investors of the Company of any material developments relating to the finalization of the repayment proposals as and when appropriate.

(ii) For the year ended 31 December 2025, raw coal and clean coal production of the Company were approximately 5,415,000 tonnes and 1,613,000 tonnes respectively, representing a significant increase of approximately 31% and 19% respectively as compared to that of approximately 4,142,000 tonnes and 1,350,000 tonnes respectively in 2024.

In addition, the Company continues to implement budgetary control over production overheads and optimize the allocation of coal mines resources. Both variable and fixed production costs such as material, fuel and power, staff costs and manufacturing overheads achieved a better absorption. Unit production cost for the year ended 31 December 2025 decreased significantly.

Detailed analysis regarding the unit production cost for the year ended 31 December 2025 will be disclosed in the coming annual results announcement to be published on or before 31 March 2026.

(iii) The Company kept on imposing control over general administrative costs and actively assessing additional cost-cutting measures to further reduce spending.

(iv) The Company is planning to dispose certain non-performing assets and is actively approaching potential investors to generate additional cash inflows.

The Company will continue to use its best endeavours to implement the Action Plan with an aim to resolving the Disclaimer of Opinion as soon as possible. The Company will publish further announcement(s) to keep the shareholders and potential investors of the Company informed of the status of implementation of the Action Plans as and when appropriate.

By Order of the Board
Hidili Industry International Development Limited
Xian Fan
Chairman

Hong Kong
30 January 2026

As at the date hereof, the executive Directors are Mr. Xian Fan (Chairman), Mr. Sun Jiankun and Mr. Zhaung Xianwei, the non-executive Director is Ms. Qiao Qian and the independent non-executive Directors are Mr. Chan Shiu Yuen Sammy, Mr. Huang Rongsheng and Ms. Xu Manzhen.