MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

INSIDE INFORMATION
BUSINESS PERFORMANCE UPDATE

This announcement is made by Mongolia Energy Corporation Limited (the ''**Company**'', and including its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the latest information available, the board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group is expected to record a decrease in revenue for the financial year ended 31 March 2026 (the "**Financial Year**"). Apart from this, the Group is also expected to record a significant decrease in gross profit to not more than HK$395.0 million for the Financial Year compared to the previous financial year ended 31 March 2025 (the " **Previous Year**") of HK$851.2 million. The significant decline in gross profit was primarily driven by weak demand of premium coking coal, with preference to medium grade alternatives by customers. This shift contributed to lower achieved sales revenue during the Financial Year. In addition, sales volume fell by approximately 6.5%, further exacerbating the overall decline in profitability. The average selling price of clean coking coal net of sales tax has declined approximately 24.9% during the Financial Year as compared to the Previous Year. The Company is still in the process of finalizing the results of the Group for the Financial Year.

Excluding the potential impact of changes in fair value on the derivative component of convertible notes, gains or losses arising from the recognition or derecognition of convertible notes and loan notes, and impairment charges on mining and financial assets (all of which remain subject to further assessment), the net loss before taxation is expected to increase to no more than HK$362.0 million, compared with HK$172.5 million in Previous Year.

The information contained in this announcement is a preliminary assessment made by the Board based on information currently available to the Group, including the unaudited consolidated management accounts of the Group for the Financial Year. They have not been audited or reviewed by the independent auditor or the audit committee of the Company and is subject to adjustments or amendments. The finalization of the financial results for the Financial Year is still subject to additional works, including the determination of fair value of the derivative component of the convertible notes and the estimated recoverable amount of the Group's mine and related assets, which will be followed by further review exercises. The current selling price of coking coal and its projected growth rate are critical assumptions in the discounted cash flow model used to assess the recoverable amount of the Group's mine and related assets, and the implication of these assumptions on the Group's financial performance is yet to be confirmed. The relevant determination and review exercises will only be finalized at an advanced stage shortly before the publication of the financial results for the Financial Year. Detailed financial information and performance of the Group for the Financial Year will be disclosed in the Company's annual results announcement which is expected to be published in late June 2026.

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

By Order of the Board
Mongolia Energy Corporation Limited
Tang Chi Kei
Company Secretary

Hong Kong, 3 June 2026

As at the date of this announcement, the Board comprises ten Directors, including Mr. Lo Lin Shing, Simon, Ms. Yvette Ong, Mr. Lo, Rex Cze Kei, Mr. Lo, Chris Cze Wai and Mr. Lo, James Cze Chung as executive Director, Mr. To Hin Tsun, Gerald as non-executive Director, and Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu, Mr. Lee Kee Wai, Frank and Mr. Wei, Chi Kuan Kenny as independent non-executive Directors.