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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)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



Reference is made to the announcement of South Manganese Investment Limited (the “**Company**”) dated 18 August 2026 (the “**Announcement**”) in relation to the placing of a maximum of 987,396,192 Placing Shares under the General Mandate. Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the Announcement.

The Board is pleased to announce that all the Conditions set out in the Placing Agreement have been fulfilled and Completion took place on 7 September 2026. A total of 987,396,192 Placing Shares have been successfully placed to one Placee, namely Hanbo Global Inc., at the Placing Price of HK\$0.314 per Placing Share pursuant to the terms and conditions of the Placing Agreement, representing approximately 16.67% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares immediately upon Completion. Under the Placing Agreement, the Placing Agent agreed to procure one or more Placee(s) on a best-efforts basis to subscribe the Placing Shares at the Placing Price. Despite active marketing efforts undertaken by the Placing Agent, market demand was constrained by prevailing capital market volatility and the recent trading performance and liquidity of the Shares. Consequently, only one Placee was procured.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Placee and its ultimate beneficial owner were Independent Third Parties before Completion.

Immediately after Completion, the Placee holds 987,396,192 Shares, representing approximately 16.67% of the total number of issued Shares. Accordingly, the Placee has become a substantial Shareholder immediately after Completion.

The net proceeds from the Placing, after deduction of the commission and other expenses of the Placing, amounted to approximately HK\$303.53 million. The Company intends to apply the net proceeds from the Placing in the following manners:

- (i) approximately 95%, or approximately HK\$288.35 million, of the net proceeds for repayment of interest and outstanding bank and other borrowings of the Group, including but not limited to (a) a fixed-rate bank loan obtained from the Group's principal bank A with outstanding principal amount of RMB200.0 million (equivalent to HK\$230.0 million) with due date on 19 September 2026; (b) a fixed-rate bank loan obtained from the Group's principal bank A with outstanding principal amount of RMB40.0 million (equivalent to HK\$46.0 million) with due date on 16 September 2026; and (c) a fixed-rate bank loan obtained from the Group's principal bank B with outstanding principal amount of RMB30.0 million (equivalent to HK\$34.5 million) with due date on 23 September 2026; and
- (ii) approximately 5%, or approximately HK\$15.18 million, of the net proceeds as general working capital of the Group.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately after Completion:

	Immediately before Completion		Immediately after Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Substantial Shareholders				
Youfu Investment Co., Ltd (<i>Note 1</i>)	994,260,000	20.14	994,260,000	16.78
Honor Aim Limited (<i>Note 2</i>)	822,830,160	16.67	822,830,160	13.89
Guinan Dameng International Resources Limited (<i>Note 3</i>)	766,350,000	15.52	766,350,000	12.94
Juhe Investment Co., Ltd (<i>Note 4</i>)	685,691,800	13.89	685,691,800	11.57
Hanbo Global Inc. (i.e. the Placee) (<i>Note 5</i>)	-	-	987,396,192	16.67

Others

Public

Shareholders	<u>1,667,849,000</u>	<u>33.78</u>	<u>1,667,849,000</u>	<u>28.15</u>
Total	<u>4,936,980,960</u>	<u>100</u>	<u>5,924,377,152</u>	<u>100</u>

Notes:

1. Youfu Investment Co., Ltd. is wholly owned by Mr. Sun Mingwen.
2. Honor Aim Limited is wholly owned by Ms. Zhou Chunlan.
3. Guinan Dameng International Resources Limited is wholly owned by Guangxi Dameng Manganese Industrial Co., Ltd., a state-owned limited liability company established under the laws of the PRC.
4. Juhe Investment Co., Ltd is wholly owned by Ms. Cao Qin.
5. Hanbo Global Inc. is wholly owned by Ms. Li Guoping.
6. The approximate percentage figures as shown above are rounded to the nearest two decimal places and therefore may not add up to 100% due to rounding.

By order of the Board
SOUTH MANGANESE INVESTMENT LIMITED
Zhang He
Chairman

Hong Kong, 7 September 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.

Unless otherwise specified and for illustration purposes only, the figures in RMB are converted into HK\$ at the rate of RMB1.00 = HK\$1.15 throughout this announcement. Such conversion should not be construed as a representation that the relevant currency could actually be converted into HK\$ at that rate or at all.