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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)**

#### **PROFIT WARNING**

This announcement is made by the South Manganese Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) 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).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 (the “**1H2024**”) and the information currently available to the Board, the Group is expected to record a loss attributable to owners of the Company of not more than HK\$200 million for 1H2024, as compared to a profit attributable to owners of the Company of approximately HK\$135 million for the six months ended 30 June 2023 (the “**1H2023**”).

The loss for 1H2024 was primarily due to the following reasons:

1. an increase in impairment losses on financial assets mainly as a result of the settlement of the guarantee liabilities for a corporate guarantee provided by the Group in respect of the bank facilities granted to an associate Dushan Jinqing Manganese Industry Co., Ltd., details of which were disclosed in the announcement of the Company dated 21 May 2024; and
2. a gross loss incurred for trading business in 1H2024 because of decrease in selling prices of manganese ores.

## **CAUTION STATEMENT**

As at the date of this announcement, the Company is still in the process of preparing and completing the interim results of the Group for 1H2024. The information contained in this announcement is based only on the preliminary assessment by the Board upon its review of the unaudited consolidated management accounts of the Group and the currently available information to the Board which have not been audited nor reviewed by the Company's independent auditor or audit committee of the Company. Shareholders of the Company and potential investors are advised to refer to the details of the Company's interim results announcement for 1H2024 which is expected to be published on 16 August 2024.

**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**

**Li Weijian**

*Chairman and Chief Executive Officer*

Hong Kong, 9 August 2024

*As at the date of this announcement, the executive Directors are Mr. Li Weijian, Mr. Zhang He, Mr. Xu Xiang and Mr. Li Junji; the non-executive Directors are Ms. Cui Ling and Mr. Pan Shenghai; and the independent non-executive Directors are Mr. Zhang Yupeng, Mr. Yuan Mingliang and Mr. Lo Sze Hung.*