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## **CHINA METAL RESOURCES UTILIZATION LIMITED**

**中國金屬資源利用有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1636)**

- (1) PROPOSED ISSUE OF CONVERTIBLE NOTES  
UNDER SPECIFIC MANDATE;  
(2) PROPOSED ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE;  
AND  
(3) PROPOSED SHARE CONSOLIDATION, CAPITAL REDUCTION OF  
ISSUED SHARES AND SUB-DIVISION OF UNISSUED SHARE**

References are made to the announcements of the Company dated 21 November 2024 (the “**Resumption Announcement**”) and 28 January 2025 (the “**Announcement**”, together, the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements, unless the context otherwise requires.

The Company wishes to provide further information about the Convertible Note Subscription and the Share Subscription, and updates to its Share Consolidation, Capital Reduction and Share Sub-division proposal.

## THE CONVERTIBLE NOTE SUBSCRIPTION

### Supplemental Agreements

On 18 March 2025, the Investor and the Company have entered into (1) a loan agreement (the “**Loan Agreement**”); and (2) a supplemental agreement to amend the terms of the Convertible Note Subscription Agreement (the “**CN Supplemental Agreement**”).

#### (a) Loan Agreement

<b>Date:</b>	18 March 2025
<b>Parties:</b>	The Investor, as the lender, (the “ <b>Lender</b> ”) The Company, as the borrower.
<b>Principal amount:</b>	HK\$10 million
<b>Interest:</b>	9% per annum
<b>Terms:</b>	6 months from the date of draw down
<b>Security:</b>	No security is given in connection with the Loan Agreement
<b>Conditions Precedent to drawdown:</b>	<ol style="list-style-type: none"><li>1. The issuance of the Convertible Note and the related specific mandate have been approved by the shareholders of the Company in the EGM;</li><li>2. The Lender has completed legal, operational, and financial due diligence on the Company to its satisfaction; and</li><li>3. The Company has obtained all necessary external and internal authorizations for the execution of the Loan Agreement and the performance of the transactions contemplated herein.</li></ol>
<b>Draw down:</b>	The Loan Agreement is available for drawdown within three (3) business days of the satisfaction and/or waiver of the Conditions Precedent above.
<b>Use of Proceeds:</b>	Settlement of fees of professional parties and accrued salaries.

## **(b) The CN Supplemental Agreement**

The principal amendments to the Convertible Note Subscription Agreement are set out below:

- (i) the following conditions precedent are added to the Convertible Note Subscription Agreement:
  - a. the Hong Kong Stock Exchange having granted the approval for the listing of the New Conversion Shares, and such approval not having been revoked before Completion; and
  - b. the Company having completed its capital reorganization to lower the par value of the Shares to HK0.01 per Share.
- (ii) The subscription amount of the Convertible Note shall be settled by the Investor at completion by way of set off against the outstanding liabilities owed by the Company to the Investor pursuant to the Loan Agreement. Accordingly, there will be no proceeds from the Convertible Note Subscription.
- (iii) The conditions to conversion set out under “Conversion right” of the Announcement are removed in its entirety.
- (iv) The Long Stop Date has been extended to 31 July 2025, or such other later date as may be mutually agreed in writing by the parties and approved by the Hong Kong Stock Exchange.

Apart from the above, there are no other major variations to the terms of the Convertible Note Subscription Agreement. As the subscription amount shall be settled by way of set off against the outstanding amount pursuant to the Loan Agreement, there will be no proceeds from the Convertible Note Subscription.

### **Background of the Investor**

The Investor has been introduced to the Company in 2024 through Mr. Yu Jianqiu, the Chairman and executive director of the Company. To the best knowledge of the Company, the Investor does not hold any shares in the Company and is not a connected person of the Company. The Investor is a segregated portfolio of Top Legend SPC, which is owned as to 50% by Hon Sit and 50% by Karen Ya Yan Tsang.

### **Conversion Price discussion**

The Company and the Investor held preliminary discussions in July 2024, but the negotiation ceased due to the uncertainty of the resumption of trading of the Shares at the relevant time. During the relevant time, the benchmark price of negotiation was HK\$0.048, the then closing price of the Shares before the trading suspension, which formed the basis of the price negotiation with the Investor. Even though the Company’s share price has shown positive development since the resumption of trading, the price discussion has been anchored with reference to the earlier negotiations due to the fact that the Investor considered that investment risk in the Company is high given the Company is loss making

with negative net assets and is still in its early stage of recovery of its operations. Other investors which the Company has approached have also shared the same view. The Company has ultimately come to a view that the Convertible Note Subscription is in the interest of the Company and its Shareholders on a whole given the Investor's willingness to release funds to the Company prior to the completion of the Share Consolidation, Capital Reduction and Share Subdivision, which would alleviate the Company's short term liquidity needs.

### **Conversion Price adjustment**

The initial conversion price shall be HK\$0.0113, which is expected to be (a) proportionately adjusted in the event of consolidation, subdivision or reclassification which results in a change in the number of the issued shares, and (b) in the event of an issue of shares at a price lower than the then prevailing conversion price, the conversion price will be adjusted by multiplying the following:

$$\frac{A+B}{A+C}$$

where:

- A is the number of Shares in issue immediately before the issue of such additional Shares;
- B is the number of Shares which the aggregate consideration receivable for the issue of such additional Shares would purchase at the then prevailing conversion price; and
- C is the number of Shares to be issued pursuant to such issue of Shares.

## **THE SHARE SUBSCRIPTION**

### **The assignment of the Outstanding Liabilities and the Subscriber**

As disclosed in the Announcements, the Company had obtained a loan (the “**Loan**”) in the principal amount of RMB12 million (with an interest rate of 9% per annum) in the third quarter of 2024 from Sichuan Kaiyue which enabled the Company to settle certain of its outstanding professional fees and publish its financial results during late 2024. The Loan shall mature on 29 April 2025.

The Company has been actively assessing and managing its liabilities on a continuous basis. In early December 2024, the Subscriber, Mr. Lin Fei (林飛) being an employee of the Group, having been aware of the Group's financial situation and its discussions with potential investors, offered to accept the assignment of the Loan with a view of taking up an equity position in the Company by converting the Loan subsequently. The Company was of the view that this arrangement is beneficial to the Group as (a) it can alleviate the Company's cash flow pressure; (b) the Subscriber, with thorough understanding of the Group's business who is willing to accept Shares in lieu of repayment of cash, can potentially be a committed shareholder in the Company; and (c) it can incentivize the Subscriber Mr. Lin who has made significant contributions to the Group, including but not limited to expanding and developing the Group's business by introducing new customers to

the Group which brought operating revenue of approximately RMB80 million to the Group, taking the lead to raise more than RMB800,000 to solve the salary payment of front-line employees in 2022, leading the Relevant Subsidiaries' bankruptcy reorganization process, and accepting a salary that is 3–4 times lower than that of industry prevailing rates. As a result, the Company introduced the Subscriber to Sichuan Kaiyue, who then assigned the Loan to the Subscriber on 16 December 2024 on the same terms as the original Loan, and the Company preliminarily agreed to issue Shares to Mr. Lin at a discounted price, subject to necessary approvals by the Shareholders. Sichuan Kaiyue was aware of the relevant arrangements as at the assignment. Having considered the above factors, the Company was of the view that the Subscription Price is fair and reasonable and in the interest of the Company and its shareholders.

Given the expected time required to complete the EGM, the Share Consolidation, Capital Reduction and Share Subdivision, the Company commenced discussions with the Subscriber in conjunction with the discussions with the Investor, having considered the maturity date in April 2025, and entered into the Share Subscription Agreement on 28 January 2025.

The Subscriber is the vice president of the Group in charge of the Group's overall business operations in the PRC, and has accumulated his source of wealth from his previous business ventures as an entrepreneur. The Company is of the view that Subscriber is not a connected person of the Company as (a) he does not hold any shares in the Company or its subsidiaries other than the 6,000,000 share options disclosed in the Announcement, (b) he does not hold any directorship position in any subsidiaries of the Company, (c) to the best of the Company's knowledge having conducted due and reasonable enquiries, he has no relationship with the Directors and substantial shareholders of the Company, and (d) to the best of the Company's knowledge having conducted due and reasonable enquiries, Mr. Lin acceptance of the assignment of the Loan is not financed by any of the Directors and/or substantial shareholders of the Company.

Closing of the Subscription is subject to the conditions precedent as described under the section "Conditions Precedent" in the Announcement, which shall include obtaining the listing approval in respect of the issuance of the Subscription Shares and the completion of the Share Consolidation, Capital Reduction and Share Sub-division.

### **Share Subscription supplemental agreement**

On 18 March 2025, the Company has entered into a supplemental agreement with the Subscriber whereby the Subscriber has agreed to amend the terms of its Subscriptions such that the number of Subscription Shares shall be reduced to 585,659,030 Shares, to be further adjusted to 58,565,903 New Shares (assuming the completion of the Share Consolidation, Capital Reduction and Share Sub-division) at the Subscription Price for a corresponding partial discharge of the Outstanding Liabilities, representing approximately 13.07% of the existing issued share capital of the Company of 4,481,557,261 Shares as at the date of this announcement; and (ii) approximately 8.30% of the Company's issued share capital as enlarged by the issue and allotment of the New Conversion Shares and the Subscription Shares (assuming the completion of the Conversion, the proposed Share Consolidation, Capital Reduction and Share Subdivision).

## USE OF PROCEEDS AND DILUTION IMPACT

As disclosed in the Announcement, the Company expects to settle outstanding professional fees and accrued salaries with the proceeds of the Convertible Note.

As at 31 December 2024, the outstanding overdue professional fees of the Company is approximately HK\$4.6 million, together with overdue accrued employees' salaries and related expenses of approximately HK\$6.7 million (excluding salaries due to Mr. Yu Jianqiu, who has agreed to defer the payment of his salary payment) and overdue accrued directors' fees of approximately HK\$5.1 million. The Company expects to prioritise the payment of fees and expenses which are deemed crucial to the Company's listing, such as audit fees and outstanding employee salaries.

The Company acknowledges the potential dilutive impact of the proposed Convertible Note Subscription and the Share Subscription. As a result, the Company has sought to limit the capital raising to an amount necessary for its immediate purpose. The Company also sought alternate financing options, including approaching 15 banks and financial institutions during November 2024 to January 2025 for debt and/or equity financing but faced rejections due to the perceived high investment risk or unattractive terms (such as request for collaterals), or delays due to investors' request to see further financial results before making investment decisions. Coupled with the low trading volume of the Shares, certain investor was of the view that the current market price is not reflective of the Company's value. The Company has also considered comparable cases in assessing the level of discount that comparable companies experienced.

The Company has also maintained communication with the new investors mentioned on p. 8 of the Resumption Announcement, who are still monitoring the Group's situation, including amongst others, the progress of the Debt Restructuring Plan, and no further investment terms have been finalised.

As at the date of this announcement, there has been no change of plan in respect of its settlement plan for the Group's outstanding liabilities. In considering the sufficiency of the Group's working capital as disclosed in the Resumption Announcement, the Company has not considered the repayment of the aforementioned expenses as the Company had previously experienced varying degree of success in delaying settlement deadlines and the Company has been in continuous negotiations with its creditors on delaying of repayment of overdue expenses. Nevertheless, the Company has also experienced an increased level of reluctance from its service providers to extend overdue repayment deadlines since the resumption of trading of its Shares. Further, the Company is of the view that certain of these expenses will need to be settled and handled delicately in order to maintain the essential functionality of the Group, for example, the settlement of auditors' fees. Whilst certain of the Group's operations have resumed and have been generating working capital, due to PRC bankruptcy laws, the Relevant Subsidiaries' revenue will be prioritized for the settlement of their own debt and the investment in their own operations, rather than distribution to the Company. Having considered and mindfully balancing the above factors against fundraising in difficult market conditions, the Company is of the view that the Convertible Note Subscription and the Subscription are in the interest of the Company and its Shareholders.

The subscription pursuant to the Convertible Note and the Subscription represents a total theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 22.9%, represented by the theoretical diluted price of approximately HK\$0.09 per Share to the benchmarked price of approximately HK\$0.12 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the date of the Subscription Agreements of HK\$0.12 per Share and the average of the closing prices of the Shares as quoted on the Hong Kong Stock Exchange for the five (5) previous consecutive trading days prior to the date of the Subscription Agreements HK\$0.1196 per Share).

### **Kaiyue Convertible Note**

Reference is also made to the RMB400 million convertible note to be issued to Sichuan Kaiyue, as disclosed in the Company's announcement dated 3 October 2024 (the "**Kaiyue Convertible Note**"). Sichuan Kaiyue is controlled by Mr. Heng Kai (衡凱) who holds 60% of the equity interest in Kaiyue Group, while the remaining 40% of the equity interest is held by Mr. Heng's wife, Ms. Ma Maohua (馬茂華). The Company has been maintaining active communication with Sichuan Kaiyue. Even though there is no long stop date in the subscription agreement of the Kaiyue Convertible Note, the Company originally expected to receive funds from Sichuan Kaiyue by the end of March 2025. The Company has maintained ongoing communication with Sichuan Kaiyue, including phone calls, correspondence and meetings throughout December 2024 to February 2025. The Company last discussed with Sichuan Kaiyue before the Chinese New Year holidays and understood that Sichuan Kaiyue was still in the process of preparing the funds. Specifically, Sichuan Kaiyue is discussing with the Mianyang provincial government regarding the release of the funds. To the best of the Company's knowledge, Sichuan Kaiyue and the Mianyang provincial government are expected to meet before 31 March 2025 to discuss the date of the fund release, and the RMB400 million shall be released in full to the Company within six months of the meeting. Notwithstanding the delay in the Kaiyue Convertible Note, the Company is of the view that Sichuan Kaiyue remains a committed investor as it has advanced over RMB20 million to the Mianyang subsidiaries of the Group in the form of supply chain capital in late 2024 and early 2025 to fund the Group's manufacturing operation. Sichuan Kaiyue has opted not to extend additional financing at the Company's level as it has already committed to subscribing for the Kaiyue Convertible Note. The Company shall make further announcement as and when appropriate in respect of the Kaiyue Convertible Note.

Saved as disclosed, the Company does not have any other concrete plan or arrangement to conduct any other fund raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising and/or investment opportunities arise in order to meet its operational needs or support future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

## **SHARE CONSOLIDATION, CAPITAL REDUCTION AND SHARE SUB-DIVISION**

The Company's Shares have been trading below HK\$0.1 prior to the resumption, and approximately at around HK\$0.1 immediately after the resumption, and the value of each board lot is substantially below the recommended HK\$2,000. The Company has considered feedback from its various potential investors who suggested consolidating the Shares to enhance their attractiveness and avoid the perception of the Shares being "penny stocks."

Upon further discussions, instead of a 20-to-1 consolidation, the Company proposes a share consolidation of 10-to-1 to better balance the potential adverse impact arising out of a share consolidation, and the enhancement of the trading of the Shares.

Immediately following the Share Consolidation becoming effective, the Capital Reduction and the Share Sub-division will be implemented, pursuant to which:

- (i) the issued share capital of the Company will be reduced by cancelling the paid-up capital to the extent of HK\$0.99 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$1.00 to HK\$0.01; and
- (ii) immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares of par value of HK\$1.00 each be sub-divided into 100 New Shares of par value of HK\$0.01 each.

## Effect of the Share Consolidation, the Capital Reduction and the Share Sub-division

Assuming that there is no change in the number of issued Shares from the date of this announcement up to and including the date on which the Share Consolidation, the Capital Reduction and the Share Sub-division becoming effective, the share capital structure of the Company will be as follows:

	<b>As at the date of this announcement</b>	<b>Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective</b>	<b>Immediately upon the Capital Reduction and the Share Sub-division becoming effective</b>
Par value	HK\$0.10 per Share	HK\$1.00 per Consolidated Share	HK\$0.01 per New Share
Number of authorised shares of the Company	100,000,000,000 Shares	10,000,000,000 Consolidated Shares	1,000,000,000,000 New Shares
Amount of authorised share capital of the Company	HK\$10,000,000,000	HK\$10,000,000,000	HK\$10,000,000,000
Number of issued shares of the Company	4,481,557,261 Shares	448,145,726 Consolidated Shares	448,145,726 New Shares
Amount of issued share capital of the Company	HK\$448,155,726.10	HK\$448,155,726.10	HK\$4,481,457.26

Upon the completion of the Conversion, the Share Subscription, the Kaiyue Convertible Note, the Share Consolidation, Capital Reduction and Share Subdivision, the shareholding structure of the Company is as follows:

	As at the date of this announcement		Immediately after the proposed Share Consolidation, Capital Reduction and Share Sub-division		Immediately after completion of the Kaiyue Convertible Note (note 3)		Immediately after the issue of the Convertible Shares (note 3) and Subscription Shares	
	Number of Shares directly or indirectly held	Number of Shares directly or indirectly held	Number of Shares directly or indirectly held	Number of Shares directly or indirectly held	Number of Shares directly or indirectly held	Number of Shares directly or indirectly held	Number of Shares directly or indirectly held	Number of Shares directly or indirectly held
<b>Shareholders</b>								
Mr. Yu Jiangqiu and Epoch Keen Limited (note 1)	533,886,400	11.91%	53,388,640	11.91%	53,388,640	9.62%	53,388,640	7.56%
Mr. Kwong Wai Sun Wilson (note 2)	3,272,600	0.07%	327,260	0.07%	327,260	0.06%	327,260	0.05%
Miayang Fule Investment Co., Ltd. (綿陽富樂投資有限公司)	717,994,566	16.02%	71,799,457	16.02%	71,799,457	12.94%	71,799,457	10.17%
Sichuan Kaiyue Investment Company Limited (四川凱越投資集團有限公司)	86,908,272	1.94%	8,690,827	1.94%	115,527,325	20.82%	115,527,325	16.36%
The Investor	0	0%	0	0.00%	0	0.00%	92,477,876	13.10%
Prosper Rich Investments Limited	557,627,268	12.44%	55,762,727	12.44%	55,762,727	10.05%	55,762,727	7.90%
Miayang Yuan Cheng Ronghe Development Group Co., Ltd. (綿陽園城融合發展集團有限責任公司)	500,000,000	11.16%	50,000,000	11.16%	50,000,000	9.01%	50,000,000	7.08%
First Harvest Global Limited, Gold, Wide Enterprises Limited and Ocean Through Limited	310,317,000	6.92%	31,031,700	6.92%	31,031,700	5.59%	31,031,700	4.40%
Quaestus Capital Pte. Ltd.	280,312,902	6.25%	28,031,290	6.25%	28,031,290	5.05%	28,031,290	3.97%
The Subscriber	0	0%	0	0.00%	0	0.00%	58,565,903	8.30%
Other public shareholders	1,491,238,253	33.29%	149,123,825	33.29%	149,123,825	26.86%	149,123,825	21.11%
Total public float (note 4)	2,168,776,427	48.40%	216,877,642	48.40%	258,186,815	46.51%	372,515,445	52.76%
Total	4,481,557,261	100.00%	448,155,726	100.00%	554,992,224	100.00%	706,036,003	100.00%

*Notes:*

1. The Shares are held by Mr. Yu Jianqiu, Chairman and an executive Director of the Company, together with Epoch Keen Limited, a company wholly-owned by Mr. Yu Jianqiu.
2. Mr. Kwong Wai Sun Wilson is an executive Director.
3. Assuming full conversion of the Kaiyue Convertible Note and the Convertible Note (as the case may be).
4. The calculation of the public float includes cells shaded in grey.

Upon the completion of the Conversion, the Share Subscription, the Kaiyue Convertible Note, the Share Consolidation, Capital Reduction and Share Subdivision, the Company's public float is expected to be approximately 52.76%. The Company will take all appropriate steps to ensure that sufficient public float be maintained at all times in compliance with Rule 8.08 of the Listing Rules.

## Expected Timetable

In light of the above changes, the revised expected timetable for the Share Consolidation, the Capital Reduction and the Share Sub-division is set out below. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Share Consolidation, the Capital Reduction and the Share Sub-division and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to Hong Kong local times and dates unless otherwise stated in this announcement.

### *Time and date*

Expected date of despatch of Circular, the notice of the EGM and the form of proxy of the EGM .....	on or before Friday, 21 March 2025
Latest date and time for lodging transfer documents in order to qualify for attending and voting at EGM .....	4:30 p.m. on Monday, 31 March 2025
Closure of register of members for determining the entitlement to attend and vote at the EGM (both dates inclusive) .....	Tuesday, 1 April 2025 to Monday, 7 April 2025
Latest date and time for lodging the proxy form for the EGM.....	2:00 p.m. on Saturday, 5 April 2025
Record date for EGM.....	Monday, 7 April 2025
Expected date and time of the EGM.....	2:00 p.m. on Monday, 7 April 2025
Publication of announcement of poll results of the EGM .....	Monday, 7 April 2025

**The following events are conditional upon the results of the EGM and therefore the dates are tentative only.**

*Time and date*

Effective date of the Share Consolidation .....	Wednesday, 9 April 2025
First day for free exchange of existing share certificates for new share certificates of the Consolidated Shares .....	Wednesday, 9 April 2025
Dealings in the Consolidated Shares commence.....	9:00 a.m. on Wednesday, 9 April 2025
Original counter for trading in existing Shares in board lots of 4,000 Shares (in the form of existing share certificates) temporarily closes .....	9:00 a.m. on Wednesday, 9 April 2025
Temporary counter for trading in Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) opens.....	9:00 a.m. on Wednesday, 9 April 2025
Original counter for trading in Consolidated Shares in board lots of 4,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens.....	9:00 a.m. on Friday, 25 April 2025
Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) commences .....	9:00 a.m. on Friday, 25 April 2025
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares.....	9:00 a.m. on Friday, 25 April 2025
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares .....	4:00 p.m. on Monday, 19 May 2025

*Time and date*

Temporary counter for trading Consolidated Shares in board  
lots of 400 Consolidated Shares  
(in the form of existing share certificates) closes ..... 4:10 p.m. on  
Monday, 19 May 2025

Parallel trading in Consolidated Shares (in the form of  
new share certificates for the Consolidated Shares and  
existing share certificates) ends ..... 4:10 p.m. on  
Monday, 19 May 2025

Last date and time for free exchange of  
existing share certificates for the new share  
certificates of the Consolidated Shares ..... 4:30 p.m. on  
Wednesday, 21 May 2025

**The following events are conditional upon the results of the EGM, compliance with any requirements imposed by the Court in order for it to be able to confirm, the Capital Reduction, and the availability of the Court. It may be two to three months before the matter is heard by the Court. The dates are therefore tentative only.**

*Time and date*

Effective date and time of the Capital Reduction and  
the Share Sub-division..... Before 9:00 a.m. on  
Monday, 2 June 2025

Commencement of dealing in the New Shares ..... 9:00 a.m. on  
Monday, 2 June 2025

First day of free exchange of existing share certificates  
for the Consolidated Shares into new share certificates  
for New Shares ..... Monday, 2 June 2025

Last day of free exchange of existing share certificates  
for the Consolidated Shares into new share certificates  
for New Shares ..... Wednesday,  
9 July 2025

## REMEDIAL MEASURES

Due to the urgency of the funding needs, the Company has omitted to consult the Hong Kong Stock Exchange prior to the publication of its announcement concerning the proposed Share Consolidation. The Company deeply regrets the course of events, which was precipitated by the urgency of the funding needs and the negotiation process between the Investor and the Company before the intervening holidays. The Company has reminded its employee and staff involved of the importance to maintain effective communication with the Hong Kong Stock Exchange. The Company has also briefed its legal advisers and will duly comply with its Listing Rules obligations.

By order of the board of Directors  
**China Metal Resources Utilization Limited**  
**Mr. YU Jianqiu**  
*Chairman*

Hong Kong, 18 March 2025

*As at the date of this announcement, the board of directors of the Company comprises four executive directors, namely, Mr. Yu Jianqiu (Chairman), Mr. Kwong Wai Sun Wilson, Mr. Gao Qiang and Ms. Zhu Yufen; and three independent non-executive directors, namely, Mr. Li Wei, Mr. Fang Guanghua and Mr. Yu Renzhong.*