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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)

DISCLAIMER OPINION ON THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Company's auditors expressed a disclaimer opinion on the Company's financial statements for the year ended 31 December 2024 relating to going concern (the "**Disclaimer Opinion**"). The purpose of this announcement is to provide updated information for investors to understand the Company's actions in resolving the Disclaimer Opinion for the period since 30 July 2025 to the date of this announcement (the "**Period**")

We refer to our announcement dated 30 July 2025 (the "**July Announcement**") in which the defined terms and names used will be used in this announcement. It should be noted from the July Announcement that the success of our debt restructuring is key to resolving the Disclaimer Opinion and securing investor(s) who will invest RMB300 million to RMB500 million is the most important first step as it will drive the whole process of the Debt Restructuring. Therefore, the Company has been focusing its efforts in finding and securing such investment during the Period.

Finding investors for new capital

Although the Company made enormous efforts in negotiating with the Sichuan Investor and Hubei Investor, both investors have decided not to proceed to invest in our Company as they failed to obtain the necessary investment approval internally. Despite this setback, the Company has been in discussion with another investor from Sichuan province (the "**Sichuan Investor A**") who is interested to invest RMB300 million to RMB500 million in our Company. Sichuan Investor A is a related company of a Sichuan provincial level state owned enterprise. Sichuan Investor A is currently conducting due diligence on the Company and is aware of the urgency of this matter.

We are putting in all efforts to try to make this potential investment a success. Meanwhile, the RMB400 million convertible bond investment by Kaiyue is still delayed due to liquidity issue. The Company currently still expects this convertible bond issue to complete when the liquidity issue is resolved.

Discussions and negotiations with creditors

The Company continued to maintain communications with its creditors including banks and government tax authorities. As mentioned in the July Announcement, the ways each type of creditors' debts are planned to be restructured have already been discussed and therefore no further details on the restructuring of these debts are expected to be confirmed until the Company raises the necessary capital, returns its business operations to a normal level and the major state-owned creditors formally agreed to swap their debts into equity of the Company.

Cost control and working capital management

As the new investment capital is not yet in place, and with the current low working capital and operational level, further cost control and working capital management measures are not likely to have a major impact on resolving the Disclaimer Opinion. Nevertheless, Company has continued its efforts to further control costs and manage its working capital efficiently.

Litigations and progress on the lifting of frozen bank accounts and assets

As mentioned in the July Announcement, after Xinshiji and Jinxin have entered into Bankruptcy Reorganisation, bank accounts and operating assets of Xinshiji and Jinxin have been unfrozen and also their operations will not be affected by litigations. As a result all of our main operating subsidiaries' bank accounts and operating assets have been unfrozen and also their operations will not be affected by litigations. Therefore, our operations are ready to return to normality as and when the required investment capital is obtained. No further progress on this matter is expected until the Debt Restructuring is fully in progress.

By Order of the Board
China Metal Resources Utilization Limited
Mr. Yu Jianqiu
Chairman

Hong Kong, 30 October 2025

As at the date of this announcement, the Board 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 Rengzhong.