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洛 阳 钼 业

洛 陽 欒 川 鉬 業 集 團 股 份 有 限 公 司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03993)

**ANNOUNCEMENT IN RELATION TO THE TERMINATION OF
REPURCHASE OF SHARES OF THE COMPANY THROUGH
CENTRALIZED PRICE BIDDING (PHASE I)**

This announcement is made by China Molybdenum Co., Ltd. (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

We refer to the announcement dated 30 September 2020 of the Company, in relation to the repurchase of A shares of the Company (the “**A Share(s)**”) through centralized price bidding (the “**A Shares Repurchase Plan (Phase I)**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the announcement of the Company dated 30 September 2020.

The Company convened the first extraordinary meeting of the sixth session of the board of directors (the “**Board**”) and the second meeting of the sixth session of the supervisory committee on 13 July 2021, considered and approved the *Proposal on the Termination of Repurchase of A Shares of the Company through Centralized Price Bidding (Phase I)* (《關於終止以集中競價交易方式回購A股股份方案(第一期)的議案》), pursuant to which the Company decided to terminate the A Shares Repurchase Plan (Phase I).

I. BASIC INFORMATION OF THE A SHARES REPURCHASE PLAN (PHASE I)

On 30 September 2020, the Company convened the fifteenth extraordinary meeting of the fifth session of the Board, considered and approved the *Resolution on Repurchase of the A Shares of the Company through Centralized Price Bidding* (《關於以集中競價交易方式回購A股股份方案的議案》), pursuant to which, the Company proposed to use self-owned funds of no more than RMB450 million to repurchase A Shares at the price of no more than RMB4.5 per share. The total amount of the A Shares to be repurchased shall be no less than 50 million and no more than 100 million, accounting for approximately 0.23% to 0.46% of total share capital of the Company prior to the repurchase. The repurchased shares shall only be used for the purpose of share incentive scheme or employee stock ownership plan. If the Company fails to use up the repurchased shares within 36 months after the completion of the repurchase, the remained A Shares repurchased will be cancelled in accordance with relevant laws, regulations and policies.

On 13 October 2020, the Company disclosed the *Repurchase Report of China Molybdenum Co., Ltd. relating to the Repurchase of A Shares of the Company through Centralized Price Bidding* (《洛陽鉬業關於以集中競價交易方式回購公司股份的回購報告書》). Please refer to the announcement of the Company dated 13 October 2020 for further details.

As of the date of this announcement, the Company has accumulatively repurchased 48,513,287 A Shares through centralized price bidding, accounting for approximately 0.2246% of the Company's total share capital with the highest trading price of RMB4.00 per share and the lowest trading price of RMB3.96 per share and total payment amount of RMB193,832,602.21(including transaction costs).

II. THE MAIN REASONS FOR THE TERMINATION OF THE A SHARES REPURCHASE PLAN (PHASE I)

After the Board considered and approved the A Shares Repurchase Plan (Phase I), the Company implemented the repurchase in phases in accordance with the repurchase plan and the capital situation. As of the date of this announcement, the Company has accumulatively repurchased 48,513,287 A Shares, which is 1,486,713 shares less than the lower limit of A Shares to be repurchased as proposed under the A Shares Repurchase Plan (Phase I) of 50 million shares. The total amount of A Shares repurchased accounted for 97.03% of the lower limit of A Shares to be repurchased as proposed under the A Shares Repurchase Plan (Phase I).

The total amount of A Shares repurchased by the Company has not reached the lower limit of the amount of A Shares to be repurchased as proposed under the A Shares Repurchase Plan (Phase I), mainly because the upper limit of the repurchase price in the A Shares Repurchase Plan (Phase I) is RMB4.5 per share, nevertheless, benefiting from the vigorous development of the new energy industry, the price of the shares of the Company has exceeded the upper limit of the repurchase price under the A Shares Repurchase Plan (Phase I) for a long period of time since October 2020.

In accordance with the *Rules Governing the Repurchase of Shares of Listed Companies listed on the Shanghai Stock Exchange* (《上海證券交易所上市公司回購股份實施細則》), the Company shall not repurchase its shares within ten trading days before the Company's periodic report, preliminary result announcement or announcement of the summary of operation results, or from the date of the occurrence of a major event that may have a significant impact on the Company's share transaction price or during the decision-making process and until two trading days after disclosure according to relevant laws, or under other circumstances as prescribed by the China Securities Regulatory Commission. From October 2020 to June 2021, the Company successively issued the 2020 third quarterly financial report, 2020 annual report, and 2021 first quarterly financial report, etc., which triggered blackout periods for repurchase of shares.

As the price of the Company's shares has exceeded the upper limit of the repurchase price for a long period of time, and due to the time limit for repurchase during the relevant blackout periods, the Company has relatively few opportunities to implement the repurchase of A Shares. Given that the current price of the Company's shares is still above the upper limit of the repurchase price continuously, considering the current industry development and the changes of capital market, etc., the Board decided to terminate the A Shares Repurchase Plan (Phase I) after due consideration.

III. THE DECISION-MAKING PROCEDURES FOR THE TERMINATION OF THE A SHARES REPURCHASE PLAN (PHASE I)

On 13 July 2021, the Company convened the first extraordinary meeting of the sixth session of the Board, considered and approved the *Proposal on the Termination of Repurchase of A Shares of the Company through Centralized Price Bidding (Phase I)* (關於終止以集中競價交易方式回購A股股份方案(第一期)的議案), pursuant to which the A Shares Repurchase Plan (Phase I) shall be terminated.

Independent directors of the Company have issued independent opinions in terms of the termination of A Shares Repurchase Plan (Phase I): the termination of A Shares Repurchase Plan (Phase I) is made by the Company in accordance with the current external environment and its decision-making procedure complies with the relevant laws, regulations and the relevant provisions in the articles of association of the Company; the termination of the A Shares Repurchase Plan (Phase I) is conducive to maintaining the Company's value and the interests of the shareholders of the Company (the "Shareholder(s)"), and will not adversely affect the Company's financial performance, operation conditions and future development. We agreed on terminating the A Shares Repurchase Plan (Phase I).

IV. THE IMPACT OF THE TERMINATION OF THE A SHARES REPURCHASE PLAN (PHASE I) ON THE COMPANY

Based on the current industry development, the changes of capital market and other factors, the Company terminated the A Shares Repurchase Plan (Phase I) in accordance with relevant laws and regulations, which is conducive to safeguarding the long-term interests of the Company and the Shareholders, especially minority Shareholders, and will not infringe the rights and interests of all Shareholders, or adversely affect the production and operation, financial performance of the Company and the interests of the Shareholders.

The Company will perform its obligations to disclose relevant information in a timely manner according to subsequent progress. Investors are advised to be aware of the investment risks.

By Order of the Board
China Molybdenum Co., Ltd.*
Yuan Honglin
Chairman

Luoyang City, Henan Province, the People's Republic of China, 13 July 2021

As at the date of this announcement, the Company's executive directors are Mr. Sun Ruiwen and Mr. Li Chaochun; the Company's non-executive directors are Mr. Yuan Honglin, Mr. Guo Yimin and Mr. Cheng Yunlei; and the Company's independent non-executive directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.

* *For identification purposes only*