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**稀镁科技**  
**REMT**

**稀镁科技集團控股有限公司**  
**RARE EARTH MAGNESIUM TECHNOLOGY GROUP HOLDINGS LIMITED**

*(in provisional liquidation)*

*(for restructuring purposes only)*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 601)**

**(1) EFFECTIVE DATE OF CAPITAL REORGANISATION;  
AND  
(2) ADJUSTMENTS TO OUTSTANDING OPTIONS**

References are made to the circular of Rare Earth Magnesium Technology Group Holdings Limited (the “**Company**”) dated 3 May 2022 (the “**Circular**”) in relation to, among others, the Capital Reorganisation and the update announcement of the Company dated 24 June 2022 (the “**Update Announcement**”) in relation to the revised expected timetable (the “**Revised Timetable**”) for the Capital Reorganisation. Unless otherwise stated, capitalised terms used in this announcement shall bear the same meanings as defined in the Circular.

**EFFECTIVE DATE OF CAPITAL REORGANISATION**

The Board is pleased to announce that all the conditions precedent to the Capital Reorganisation have been fulfilled and the Capital Reorganisation will become effective on Thursday, 14 July 2022.

Dealings in the New Shares will commence at 9:00 a.m. on Thursday, 14 July 2022. The trading arrangements, odd lots matching and free exchange of share certificates will be implemented in accordance with the Revised Timetable set out in the Update Announcement.

Shareholders should note that upon the Capital Reorganisation becoming effective, the colour of the share certificates of the Company will be changed from pink to green.

## ADJUSTMENTS TO OUTSTANDING OPTIONS

The Board announces that, upon the Capital Reorganisation having become effective on 14 July 2022, adjustments (the “**Adjustments**”) will be made to the exercise price and the number of New Shares falling to be issued upon the exercise of the outstanding Options. The Adjustments to be made in accordance with the terms and conditions of the Share Option Scheme, Rule 17.03(13) of the Listing Rules and the Supplementary Guidance on Adjustments to the Exercise Price and Number of Share Options under the Listing Rule Requirements dated 5 September 2005 (the “**Supplementary Guidance**”) would be as follows:

Date of Grant	Exercise Period	Before the Adjustments		Immediately after the Adjustments	
		No. of Shares to be issued upon exercise of the outstanding Options as at 13 July 2022	Exercise price per Share (HK\$)	No. of New Shares to be issued upon exercise of the outstanding Options	Exercise price per New Share (HK\$)
25 April 2018	From 1 November 2018 to 29 December 2023	203,400,000	0.4	10,170,000	8.0
25 July 2019	From 1 September 2019 to 31 August 2022	140,000,000	0.3	7,000,000	6.0
Total		<u>343,400,000</u>		<u>17,170,000</u>	

Save for the above Adjustments, all other terms and conditions of the outstanding Options granted under the Share Option Scheme remain unchanged.

Frontpage Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed by the Company to advise the Board in respect of the adjustments to the outstanding Options, has reviewed the above Adjustments and has confirmed in writing that the Adjustments are in compliance with the requirements set out in the Rule 17.03(13) of the Listing Rules and the Supplementary Guidance and are made in accordance with the relevant terms of the Share Option Scheme.

Save as aforesaid, the Company does not have any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into, any New Shares, as at the effective date of the Capital Reorganisation.

By order of the Board  
**Rare Earth Magnesium Technology Group Holdings Limited**  
*(in provisional liquidation)*  
*(for restructuring purposes only)*  
**Fan Kwok Man**  
*Company Secretary*

Hong Kong, 13 July 2022

*As at the date of this announcement, the directors of the Company are:*

*Executive directors: Mr. Shum Sai Chit (Chairman) and Ms. Chi Sile*

*Independent non-executive directors: Mr. Kwong Ping Man and Mr. Cheung Sound Poon*