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洛阳钼业
洛陽欒川鉬業集團股份有限公司
CMOC Group Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 03993)

CONNECTED TRANSACTION
ADDITIONAL CAPITAL CONTRIBUTION TO JOINT VENTURE COMPANY

INTRODUCTION

The Board is pleased to announce that on 9 June 2023, it has approved CMOC Beta, a wholly-owned subsidiary of the Company, to enter into the Capital Increase Agreement with Brunp-CATL, pursuant to which each of the shareholders of CBC Investment (a company owned as to 34% and 66% by CMOC Beta and Brunp-CATL) agrees to increase the registered share capital of CBC Investment from US\$10,000 to US\$100 million in proportion to their respective shareholdings in CBC Investment. The amount of capital contribution to be made by CMOC Beta is US\$33,996,600. As at the date of this announcement, the Capital Increase Agreement has not been executed yet, and the Company will make an announcement in due course once a definitive agreement is entered into.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Brunp-CATL is a subsidiary of CATL, which is a substantial shareholder of the Company, and therefore is a connected person of the Company. As such, the transactions contemplated under the Capital Increase Agreement will constitute a connected transaction of the Company under the Listing Rules.

As the highest applicable percentage ratio exceeds 0.1% but is less than 5%, the transactions contemplated under the Capital Increase Agreement are subject to reporting and announcement requirements but are exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

I. INTRODUCTION

The Board is pleased to announce that on 9 June 2023, it has approved CMOC Beta, a wholly-owned subsidiary of the Company, to enter into the Capital Increase Agreement with Brunp-CATL, pursuant to which each of the shareholders of CBC Investment (a company owned as to 34% and 66% by CMOC Beta and Brunp-CATL) agrees to increase the registered share capital of CBC Investment from US\$10,000 to US\$100 million in proportion to their respective shareholdings in CBC Investment.

As at the date of this announcement, the Capital Increase Agreement has not been executed yet, and the Company will make an announcement in due course once a definitive agreement is entered into.

II. PRINCIPAL TERMS OF THE CAPITAL INCREASE AGREEMENT

Parties (i) CMOC Beta; and

(ii) Brunp-CATL

Capital Increase Pursuant to the Capital Increase Agreement, the parties agree to make additional capital contribution to CBC Investment in proportion to their respective shareholdings in CBC Investment with a total increased share capital of US\$99,990,000 comprising of:

(i) US\$33,996,600 to be subscribed by CMOC Beta; and

(ii) US\$65,993,400 to be subscribed by Brunp-CATL.

The aggregate amount of the increased registered share capital is determined by the parties according to the project capital demand of CBC Investment after arm's length negotiations among the parties with reference to their respective interests in CBC Investment.

Payment After consideration and approval by the board of directors of CBC Investment, CMOC Beta and Brunp-CATL shall pay their corresponding capital contribution amount within 5 business days from the date of receipt of the capital contribution notice issued by CBC Investment. In the event that one of the parties fails to fulfill its capital contribution obligations within the period stipulated as above, such party's capital contribution shall be deemed to be abandoned and the other party shall be entitled to make such capital contribution instead.

CMOC Beta proposes to finance its capital contribution by internal resources in cash.

III. SHAREHOLDING STRUCTURE OF CBC INVESTMENT

The shareholding structure of CBC Investment immediately before and after completion of the Capital Increase Agreement is set out as below:

Shareholders	Immediately before the completion of the Capital Increase Agreement		Immediately after the completion of the Capital Increase Agreement	
	Share capital of CBC Investment (US\$)	Shareholding percentage	Share capital of CBC Investment (US\$)	Shareholding percentage
Brunp-CATL	6,600	66%	66,000,000	66%
CMOC Beta	3,400	34%	34,000,000	34%
Total	10,000	100%	100,000,000	100%

IV. FINANCIAL INFORMATION OF CBC INVESTMENT

The key financial information of CBC Investment for the two years ended 31 December 2022 prepared in accordance with Hong Kong Financial Reporting Standards are set out as follows:

	Year ended 31 December 2021 US\$ (Audited)	Year ended 31 December 2022 US\$ (Audited)
Profit/(loss) before tax	(1,200)	(1,179,353.78)
Profit/(loss) after tax	(1,200)	(1,179,353.78)

As of 31 December 2022, the audited total assets and net assets of CBC Investment were US\$1,832,246.00 and -US\$1,170,553.78, respectively.

V. REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE AGREEMENT

CBC Investment is a joint venture company of the Company for implementing the strategic cooperation on the investment and development of renewable energy metal resources. The additional contribution to CBC Investment will mainly be used to supplement its working capital and promote its daily investment and operation activities, which will in turn be conducive to the business of the Company as well as its profitability.

The Directors (including the independent non-executive Directors) are of the view that the Capital Increase Agreement and the transaction contemplated thereunder are in the ordinary and usual course of business of the Group and on normal commercial terms, and the terms of the Capital Increase Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

VI. LISTING RULES IMPLICATIONS

As at the date of this announcement, Brunp-CATL is a subsidiary of CATL, which is a substantial shareholder of the Company, and therefore is a connected person of the Company. As such, the transactions contemplated under the Capital Increase Agreement will constitute a connected transaction of the Company under the Listing Rules.

As the highest applicable percentage ratio exceeds 0.1% but is less than 5%, the transactions contemplated under the Capital Increase Agreement are subject to reporting and announcement requirements but are exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Jiang Li and Mr. Lin Jiuxin, both have offices in CATL and/or its associates, and in order to avoid the perception of a conflict of interest, each of them had abstained from voting on the Board resolution to approve the Capital Increase Agreement. Save as disclosed above, none of the other Directors has a material interest in the Capital Increase Agreement or holds any position in CATL and/or its associates which would require them to abstain from voting on the relevant Board resolution.

VII. GENERAL INFORMATION

CMOC Beta

CMOC Beta is a wholly-owned subsidiary of the Company and was established under the laws of Hong Kong with limited liability. It mainly engages in investment holding activities.

Brunp-CATL

Brunp-CATL is a company established under the laws of Hong Kong with limited liability. As at the date of this announcement, it is a wholly-owned subsidiary of Ningbo Brunp Contemporary Amperex Co., Ltd. (寧波邦普時代新能源有限公司), which is owned as to 48.45%, 46.55% and 5.00% by Guangdong Brunp Recycling Technology Co., Ltd. (廣東邦普循環科技有限公司) (“**Guangdong Brunp**”), CATL and Hainan Yuechuang Enterprise Management Partnership (Limited Partnership) (海南粵創企業管理合夥企業(有限合夥)), respectively. Guangdong Brunp is an approximately 64.80%-owned subsidiary of CATL. Therefore, Brunp-CATL is a subsidiary of CATL and thus a connected person of the Company. Brunp-CATL mainly engages in trading and investment activities.

CBC Investment

CBC Investment is a company established under the laws of Hong Kong with limited liability. As at the date of this announcement, CBC Investment is owned as to 66% and 34% by Brunp-CATL and CMOC Beta, respectively. It mainly engages in the trading and investment activities.

CATL

CATL is a joint stock company established in the PRC with limited liability, the A shares of which are listed and traded on the Shenzhen Stock Exchange (stock code: 300750). It mainly engages in the research and development, production and sales of power batteries and energy storage batteries. According to publicly available information, the de facto controller of CATL are Mr. Zeng Yuqun and Mr. Li Ping, holding 27.90% equity interests in CATL in aggregate. As at the date of this announcement, CATL indirectly owns 24.68% equity interests in the Company.

The Company

The Company is a joint stock company established in the PRC with limited liability, the H shares and A shares of which are listed and traded on the main boards of the Stock Exchange (stock code: 03993) and the Shanghai Stock Exchange (stock code: 603993), respectively. The controlling shareholder of the Company is Cathay Fortune Corporation. The Group mainly engages in the mining and processing business, which includes mining, beneficiation, smelting and refining of base and rare metals, and mineral trading business.

DEFINITION

“Board”	the board of directors of the Company
“Capital Increase Agreement”	the capital increase agreement to be entered into between CMOB Beta and Brunp-CATL in relation to the proposed additional capital contribution to CBC Investment, which has not been executed yet as at the date of this announcement
“CATL”	Contemporary Amperex Technology Co., Limited
“CBC Investment”	Hong Kong CBC Investment Limited, a company incorporated in Hong Kong with limited liability, which is owned as to 66% and 34% by Brunp-CATL and CMOB Beta, respectively, as at the date of this announcement
“CMOB Beta”	CMOB Beta Limited, a company incorporated in Hong Kong with limited liability, which is a wholly-owned subsidiary of the Company as at the date of this announcement
“Company”	CMOB Group Limited* (洛陽樂川鋁業集團股份有限公司), a joint stock company incorporated in the PRC with limited liability, the A shares and H shares of which are listed on the Shanghai Stock Exchange and the Stock Exchange, respectively
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Brunp-CATL”	Hongkong Brunp and Catl Co., Limited, a company incorporated in Hong Kong with limited liability, which is a subsidiary of CATL as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, lawful currency of United States of America

In addition, the terms “associate”, “connected person”, “connected transaction”, “controlling shareholder”, “percentage ratio(s)”, “subsidiary(ies)” and “substantial shareholder” shall have the meanings ascribed to them under the Listing Rules.

By Order of the Board
CMOC Group Limited*
Yuan Honglin
Chairman

Luoyang City, Henan Province, the PRC, 9 June 2023

As at the date of this announcement, the Company’s executive Directors are Mr. Sun Ruiwen and Mr. Li Chaochun; the non-executive Directors are Mr. Yuan Honglin, Mr. Lin Jiuxin and Mr. Jiang Li; and the independent non-executive Directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.

* *For identification purposes only*