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中國稀土控股有限公司

China Rare Earth Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 769)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of the Company dated 16 April 2025, in relation to the Subscription of new Shares under General Mandate (the “Announcement”). Unless otherwise defined, capitalised terms used in this supplemental announcement shall have the same meanings as those defined in the Announcement.

THE SUBSCRIPTION

The Subscriber

The Company would like to provide further information that the ultimate beneficial owner of the Subscriber is Mr. Yu Jiang (“Mr. Yu”).

Mr. Yu has over 20 years of experience in corporate investment and equity financing in Chinese and overseas capital markets. He has led several large-scale merger and acquisition projects, possessing keen insight into capital markets and national policy trends. He has experience in identifying investment opportunities in a timely manner, particularly in cross-border investment opportunities in the Greater China region.

Subscription Shares and Subscription Price

The size of the subscription is determined after arm’s length negotiation between the Subscriber and the Company with reference to the prevailing market price and market condition. The Directors consider that the Subscription Price is fair and reasonable, on normal commercial terms and are in the interest of the Company and the Shareholders as a whole.

REASONS FOR THE SUBSCRIPTION AND THE USE OF PROCEEDS

The Company would like to provide further information that Mr. Yu, founder of the Subscriber, met Mr. Jiang Quanlong, Director of the Company, around November 2024. Mr. Yu first acquainted with the Company by self-introduction of respective personal backgrounds including discussion of respective business backgrounds at Mr. Yu's office when they were having casual meeting and seeking potential business cooperation.

The Subscriber is a global investment company headquartered in Hong Kong. The company is led by an experienced team, and its members include operation experts, investment bankers, risk control experts and senior consultants, dedicated to discovering high-quality investment opportunities around the world. The Subscriber also has experience investing in mining industry and is interested in the Company's business. Therefore, both parties have initiated and negotiated the Subscription.

It is the Subscriber's perspective to be an investor as well as providing strategic advice, such as providing merge and acquisition opportunities and financing options, to the Company aiming to add value to its investment in the future. The Company's perspective is to benefit from the Subscriber's strategic advice as mentioned above and leverage of operation resource, such as providing more options of suppliers for drilling work and equipments, trucks and other mining operations, from the Subscriber's other investments.

As at 31 December 2024, the Company's total cash is HK\$966.0 million. The cash at PRC is approximately HK\$965.5 million (mainly in Renminbi), while the cash at Hong Kong is merely approximately HK\$0.4 million.

The subscription will be performed in Hong Kong and the proceeds dominates in HK\$. The working capital is mainly used for the Company's Hong Kong office expenses, payment of Hong Kong staff salary and payment of professional fees in Hong Kong including, but not limited to, listing fee of the Stock Exchange and auditor's remuneration.

Taking into account that the Company's perspective is to benefit from the Subscriber's strategic advice and leverage of operation resource from the Subscriber's other investments and the size of the subscription is determined after arm's length negotiation between the Subscriber and the Company with reference to the prevailing market price and market condition. The Directors consider that the Subscription Price is fair and reasonable, on normal commercial terms and are in the interest of the Company and the Shareholders as a whole.

By order of the Board
China Rare Earth Holdings Limited
Jiang Quanlong
Joint Acting Chairman

Hong Kong, 30 April 2025

As at the date of this announcement, the Board consists of Mr. Jiang Quanlong, Mr. Jiang Dawei and Ms. Guo Jinying as executive Directors, Ms. Huang Liu as non-executive Director, and Mr. Huang Chunhua, Mr. Man Kong Yui and Mr. Kang Shuaijie as independent non-executive Directors.