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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)

INSIDE INFORMATION
VACATION OF OFFICE OF AN EXECUTIVE DIRECTOR
AND CONTINUATION OF TRADING HALT

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”, and each a “**Director**”) of China Rare Earth Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

VACATION OF OFFICE OF AN EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated 4 July 2025 in relation to the establishment of the independent investigation committee (the “**Committee**”). After receiving a complaint letter from a purported employee of the Group, the Board instructed the Company’s legal advisers as to the laws of the People’s Republic of China (the “**PRC**”) to conduct due diligence on the Group’s subsidiaries and the relevant personnel, including Mr. Jiang Quanlong, an executive Director (“**Mr. Jiang**”). Pursuant to the due diligence report issued by the PRC legal advisers (the “**PRC DD Report**”), the Board noted that Mr. Jiang has multiple outstanding debts, suspended repayments, or even absence of other enforceable assets to fulfill his repayment obligations, resulting in external debt disputes. It was also found out that the total amount of overdue unpaid debts involved by Mr. Jiang has already exceeded RMB200 million. Based on the PRC DD Report, the PRC Legal Adviser was of the view that Mr. Jiang is unable to repay the matured debts confirmed by effective legal documents under his personal name.

In view of the seriousness of the findings of the PRC DD Report, the Board and the Committee requested from Mr. Jiang to provide explanation and supporting documents for addressing the findings in the PRC DD Report regarding his ability to make repayment for his debts, however, the Board and the Committee have not received any positive response from Mr. Jiang as at the date of this announcement. Further, the Committee was advised by the Company’s legal advisers as to Cayman Islands laws that, according to article 105(i) of the amended and restated articles of association of the Company (the “**Articles**”), a Director shall vacate his office if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally.

On 21 July 2025, a Board meeting was held to discuss and consider Mr. Jiang's suspension of payment and vacation of his office as a Director. During the Board meeting, the Board considered the PRC DD Report and further enquired Mr. Jiang in relation to his outstanding debts and repayment obligations. Again, Mr. Jiang refused to provide any reasonable explanation and requested the Board to prove his suspension of payment. The Board considered that Mr. Jiang's failure to disclose details of his unsatisfied judgments or court orders may constitute a potential breach of Rule 13.51B and Rule 13.51(2)(k) of the Listing Rules.

After the Board meeting, the Board sought further advice from the PRC legal advisers and was given to understand that Mr. Jiang has suspended payment since 26 November 2024. In the absence of any positive reply from Mr. Jiang and having considered the advice from the PRC legal advisers, the Board acknowledged that Mr. Jiang has suspended payment since 26 November 2024 and that the office of Mr. Jiang as a Director shall be vacated since the day he suspended payment.

The Board will seek further advice from its legal advisers as to the actions taken by Mr. Jiang on behalf of the Company in his capacity as an executive Director since 26 November 2024 and will consider, where appropriate, to ratify such actions by the Board. Further announcement(s) will be published by the Company as and when appropriate.

CONTINUATION OF TRADING HALT

Trading in the Shares on the Stock Exchange has been halted with effect from 1:45 p.m. on Wednesday, 18 June 2025 and will remain halted until further notice.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
China Rare Earth Holdings Limited
Guo Jinying
Executive Director

Hong Kong, 22 July 2025

As at the date of this announcement, the Board consists of Ms. Guo Jinying as executive Director, and Mr. Man Kong Yui, Mr. Kang Shuaijie and Mr. Yip Tze Wai Albert as independent non-executive Directors.