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JL MAG RARE-EARTH CO., LTD.

江西金力永磁科技股份有限公司

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

(Stock Code: 06680)

ANNOUNCEMENT

PLEDGE OF CERTAIN SHARES AND RELEASE OF PLEDGE OF SHARES BY CONTROLLING SHAREHOLDERS

On September 23, 2024, JL MAG RARE-EARTH CO., LTD. (the “**Company**”) received a notice from Ganzhou Xinsheng Investment Management Center (limited partnership) (“**Ganzhou Xinsheng**”) and Ganzhou Geshuo Investment Management Center (limited partnership) (“**Ganzhou Geshuo**”), the parties acting in concert of Jiangxi Ruide Venture Investment Co., Ltd. (“**Ruide Venture**”), a controlling shareholder of the Company, informing that certain shares of the Company held by Ganzhou Xinsheng have been pledged while some held by Ganzhou Geshuo have been released from pledge. Details are as follows:

I. BASIC INFORMATION OF THE PLEDGE OF SHARES BY THE SHAREHOLDER

Name of Shareholder	Whether a Controlling Shareholder or the largest Shareholder and the person acting in concert	Number of pledged shares (in 10 thousand)	Proportion to the number of shares held	Proportion to the total share capital of the Company	Whether its shares are restricted	Whether supplemental pledge is adopted	Commencement date of the pledge	Expiry date of the pledge	Pledgee	Purpose of the pledge
Ganzhou Xinsheng	Yes	800.00	33.99%	0.59%	No	No	September 19, 2024	Until the procedure for releasing the pledge is completed	CITIC Securities Co., Ltd.	Repayment of loans pledged by parties acting in concert and daily operations
Total	-	800.00	33.99%	0.59%	-	-	-	-	-	-

Note: The pledged shares do not involve performance commitments and share compensation obligations such as major assets restructuring.

II. BASIC INFORMATION OF THE RELEASE OF PLEDGE OF SHARES BY THE SHAREHOLDER

Name of Shareholder	Whether a Controlling Shareholder or the largest Shareholder and the person acting in concert	Number of released pledge shares (in 10 thousand)	Proportion to the number of shares held	Proportion in the total share capital of the Company	Commencement date of the pledge	Expiry date of the pledge	Pledgee
Ganzhou Geshuo	Yes	38.40	4.46%	0.03%	March 7, 2022	September 23, 2024	GF Securities Co., Ltd.
	Yes	64.00	7.44%	0.05%	April 25, 2022	September 23, 2024	GF Securities Co., Ltd.
	Yes	248.00	28.83%	0.18%	October 25, 2022	September 23, 2024	GF Securities Co., Ltd.
	Yes	151.00	17.55%	0.11%	March 19, 2024	September 23, 2024	GF Securities Co., Ltd.
	Yes	50.00	5.81%	0.04%	July 9, 2024	September 23, 2024	GF Securities Co., Ltd.
Total	-	551.40	64.09%	0.41%	-	-	-

Note: The Company completed the 2022 annual A-share equity distribution on July 12, 2023, and the “number of released pledge shares” has been adjusted accordingly due to the impact of capitalization of capital reserves.

III. ACCUMULATED PLEDGED SHARES OF THE SHAREHOLDERS UPON THE CHANGES IN THE PLEDGE

As at the date of this announcement, details of the pledged shares held by the Controlling Shareholders and the persons acting in concert are as follows:

Name of Shareholder	Number of shares held (in 10 thousand)	Proportion to the shares held	Number of pledged shares before the changes in the pledge (in 10 thousand)	Number of pledged shares upon the changes in the pledge (in 10 thousand)	Proportion to the number of shares held	Proportion in the total share capital of the Company	Pledged shares		Unpledged shares	
							Number of restricted and frozen shares among pledged shares (in 10 thousand)	Proportion to the pledged shares	Number of restricted and frozen shares among unpledged shares (in 10 thousand)	Proportion to the unpledged shares
Ruide Venture	38,710.0160	28.78%	2,000.00	2,000.00	5.17%	1.49%	0	0%	0	0%
Ganzhou Geshuo	860.3174	0.64%	551.40	0	0%	0%	0	0%	0	0%
Ganzhou Xincheng	2,353.6435	1.75%	0	800.00	33.99%	0.59%	0	0%	0	0%
Cai Baogui	102.4000	0.08%	0	0	0%	0%	0	0%	76.80	75%
Hu Zhibin	153.6000	0.11%	0	0	0%	0%	0	0%	115.20	75%
Total	42,179.9769	31.36%	2,551.40	2,800.00	6.64%	2.08%	0	0%	192.00	0.48%

As of the date of this announcement, the shares held by the Controlling Shareholders and the persons acting in concert are not frozen or auctioned, and there is no risk of liquidation of the shares pledged by them. The above-mentioned pledge will not lead to any change in the de facto control of the Company and will not have a significant impact on the operation and management and corporate governance of the Company.

As at the date hereof, Mr. Cai Baogui, Mr. Hu Zhibin and Mr. Li Xinnong, and the investment holding entities controlled by them, namely Ruide Venture, Ganzhou Geshuo and Ganzhou Xinsheng, are collectively entitled to exercise voting rights of approximately 31.36% of the issued share capital of the Company. Accordingly, they constitute a group of controlling shareholders of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”). The pledge of shares will not in itself affect Ruide Venture’s status as a controlling shareholder of the Company or the normal operations of the Company.

The above pledge of shares does not fall within the scope of Rule 13.17 of the Hong Kong Listing Rules.

The Company will continue to follow the subsequent progress of the pledge of shares by the shareholders and fulfill its information disclosure obligations in a timely manner as required. Investors are advised to pay attention to the investment risks.

By order of the Board
JL MAG RARE-EARTH CO., LTD.
Cai Baogui
Chairman

Jiangxi, September 23, 2024

As of the date of this announcement, the Board comprises Mr. Cai Baogui and Mr. Lyu Feng as executive Directors; Mr. Hu Zhibin, Mr. Li Xinnong, Mr. Liang Minhui and Mr. Li Xiaoguang as non-executive Directors; and Mr. Zhu Yuhua, Mr. Xu Feng and Ms. Cao Ying as independent non-executive Directors.