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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 ON PRELIMINARY ANNUAL RESULTS FOR THE YEAR 2024**

This announcement is made by JL MAG RARE-EARTH CO., LTD. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Listing Rules.

The key financial data of the Group for the year ended December 31, 2024 (the “**Reporting Period**”) set out in this announcement is the preliminary estimation made by the finance department of the Company and has not been audited by the accounting firm. The final figures shall be subject to those to be disclosed in the 2024 annual report of the Company. Investors are advised to pay attention to the investment risks involved.

### **I. ESTIMATED RESULTS FOR THE REPORTING PERIOD**

1. The period for the estimated results: January 1, 2024 to December 31, 2024
2. Estimated results: ☐ Loss ☐ Turn losses into gains ☐ Increase over the same period last year ☒ Decrease over the same period last year

Item	The Reporting Period	Same period last year
Net profit attributable to the shareholders of the listed company	Profit: RMB270.5726 million ~ RMB326.9418 million  Decreased by 42% ~ 52% as compared with the corresponding period last year	Profit: RMB563.6928 million

Item	The Reporting Period	Same period last year
Net profit attributable to the shareholders of the listed company after deducting non-recurring gains or losses	Profit: RMB160.5726 million ~ RMB216.9418 million  Decreased by 56% ~ 67% as compared with the corresponding period last year	Profit: RMB493.4034 million

## II. COMMUNICATION WITH THE ACCOUNTING FIRM

The relevant data of this estimated results announcement is the preliminary estimation made by the finance department of the Company and has not been audited by the accounting firm. The Company has made a preliminary communication with the accounting firm on related matters of the estimated results, and there is no material difference between the Company and the accounting firm on the estimated results.

## III. EXPLANATION FOR THE CHANGES IN RESULTS

1. In 2024, the Company endeavored to overcome the unfavorable factors of the continuous decline in the price of rare earth raw materials since 2022, actively expanded its business, and strived to release its production capacity in accordance with its plan, with the capacity utilization rate exceeding 90%. The production and sales volume of high-performance magnetic material products hitting the Company's record high, and the revenue for the year slightly increased as compared with the expected revenue of the same period of last year.

The Company maintained sound operation, the net cash flow from operating activities for 2024 is estimated to be approximately RMB420 million.

2. As a result of the impact of the significant year-on-year decline in the price of rare earth raw materials, taking praseodymium-neodymium metal (tax-inclusive price) as an example, according to the data published by the Association of China Rare Earth Industry, the average price during January to December 2024 was RMB490,000/tonne, representing a decrease of approximately 25% as compared to the average price of RMB650,000/tonne in the same period of 2023. A lag in the adjustment of raw material costs, coupled with the impact of adverse factors such as intensified industry competition, resulted in a decline in the net profit of the Company.

In addition, in 2024, the Ningbo Factory and Baotou Factory Phase II Project of the Company increased investment in staff recruitment, pre-job training and auxiliary materials in order to make substantial preparations for the achievement of production, resulting in the temporary increase in the product organization costs and management expenses of the aforesaid subsidiaries, which had a certain impact on the net profit.

#### IV. OTHER RELEVANT EXPLANATION

1. The estimated results disclosed in this announcement are only preliminary estimates made by the finance department of the Company and have not been audited by auditing firm.
2. The Company will disclose details of the financial information in its 2024 annual report. Investors are advised to make cautious decision and pay attention to the investment risks involved.

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

Jiangxi, January 20, 2025

*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.*