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## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in JL MAG Rare-Earth Co., Ltd., you should at once hand this circular and the accompanying form(s) of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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# **金力永磁 JL MAG**

## **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)**

- (1) ENGAGEMENT OF AUDITORS FOR THE YEAR 2026**
- (2) APPLICATION TO BANKS FOR INTEGRATED CREDIT FACILITIES BY THE COMPANY AND ITS SUBSIDIARIES AND THE RELATED GUARANTEE**
- (3) ADJUSTMENT OF DIRECTORS' ALLOWANCES OF THE FOURTH BOARD OF DIRECTORS OF THE COMPANY**
- (4) PURCHASE OF LIABILITY INSURANCE FOR THE COMPANY, DIRECTORS AND SENIOR MANAGEMENT**
- (5) CHANGE OF REGISTERED CAPITAL OF THE COMPANY AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND ITS APPENDIX**
- (6) GENERAL MANDATE TO ISSUE ADDITIONAL A SHARES OR H SHARES OF THE COMPANY**
- (7) HANDLING MATTERS IN RELATION TO THE SMALL-SCALE RAPID FINANCING**
- (8) GENERAL MANDATE TO ISSUE DOMESTIC AND OVERSEAS DEBT FINANCING INSTRUMENTS**
- (9) GENERAL MANDATE GRANTED TO THE BOARD OF DIRECTORS TO REPURCHASE SHARES**
- AND**
- (10) NOTICE OF THE 2025 ANNUAL GENERAL MEETING**

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The notice convening the 2025 annual general meeting (the "AGM") to be held at the conference room of Jinjiang International Hotel, 88 Jindongbei Road, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC on Tuesday, 28 April 2026 at 2:30 p.m. is set out in this circular.

Whether or not you are able to attend the AGM, please complete and sign the form of proxy for use at the AGM in accordance with the instructions printed thereon and return them to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the AGM (i.e. before 2:30 p.m. on Monday, 27 April 2026). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case maybe) if you so wish.

This circular together with the form of proxy are also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.jlmag.com.cn](http://www.jlmag.com.cn)).

2 April 2026

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## DEFINITIONS

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*In this circular, the following expression shall have the meanings set out below unless the context requires otherwise:*

“A Share(s)”	domestic share(s) of the Company with a nominal value of RMB1.00 each listed on the ChiNext Market of the Shenzhen Stock Exchange and traded in RMB
“A Share Repurchase Mandate”	the general mandate proposed to be granted to the Board to repurchase A Shares not exceeding 10% of the number of A Shares in issue as at the date of passing the proposed relevant resolutions at the AGM
“A Shareholder(s)”	holder(s) of A Shares
“AGM” or “2025 AGM”	the 2025 annual general meeting of the Company to be held on Tuesday, 28 April 2026 at 2:30 p.m. at the conference room of Jinjiang International Hotel, 88 Jindongbei Road, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC, the notice of which is set out on pages 33 to 36 of this circular
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“associates”	has the meaning ascribed to it under the Listing Rules
“Board” or “Board of Directors”	the board of Directors of the Company
“Business Day”	the days, excluding Saturdays, Sundays or public holidays, on which the Stock Exchange is open for trading and banks in Hong Kong are open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies (WUMP) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong)
“Company Law”	the Company Law of the People’s Republic of China
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules

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## DEFINITIONS

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“core connected persons”	has the meaning ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company or any one of them
“Group”	the Company and its subsidiaries
“H Share Registrar” or “Hong Kong H Share Registrar”	Computershare Hong Kong Investor Services Limited, the Company’s H Share Registrar
“H Share Repurchase Mandate”	the general mandate proposed to be granted to the Board to repurchase H Shares not exceeding 10% of the number of H Shares in issue as at the date of passing the proposed relevant resolutions at the AGM
“H Shareholder(s)”	holder(s) of H Shares
“H Shares”	overseas listed foreign shares of the Company with a nominal value of RMB1.00 each listed on the Stock Exchange and traded in HK\$
“HK\$” or “Hong Kong Dollar(s)”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Independent Director(s)”	the independent non-executive Directors of the Company
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not the Company’s connected persons and their associates (as defined under the Listing Rules)

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## DEFINITIONS

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“Jiangxi Ruide”	Jiangxi Ruide Enterprise Management Co., Ltd. (formerly known as “Jiangxi Ruide Venture Investment Co., Ltd.”), established in the PRC on 9 July 2008, and a controlling Shareholder of the Company. It was renamed Jiangxi Ruide Enterprise Management Co., Ltd. in February 2026
“JL MAG”, “Company” or “Our Company”	JL MAG Rare-Earth Co., Ltd. (江西金力永磁科技股份有限公司)
“Latest Practicable Date”	30 March 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	Friday, 14 January 2022, being the date on which the H Shares were listed on the Stock Exchange and permitted to commence trading on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this circular, shall exclude the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan
“PRC Company Law”	The Company Law of the People’s Republic of China, as amended, supplemented or otherwise modified from time to time
“Repurchase Mandates”	the A Share Repurchase Mandate and the H Share Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“Securities and Futures Ordinance”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Securities Law”	the Securities Law of the People’s Republic of China
“Senior Management”	senior management of the Company
“Share(s)”	Share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including A Shares and H Shares
“Shareholder(s)”	the shareholder(s) of the Company

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## DEFINITIONS

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“Shareholders’ general meeting”	the general meeting of the Company
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“SZSE”	Shenzhen Stock Exchange
“trading day”	means a day on which the Hong Kong Stock Exchange is open for the dealing or trading in securities
“%”	per cent

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LETTER FROM THE BOARD

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金力永磁  
JLMAG

**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)**

*Executive Directors:*

Mr. Cai Baogui  
Mr. Lyu Feng

*Non-executive Directors:*

Mr. Hu Zhibin  
Mr. Li Xinnong  
Mr. Liang Minhui

*Independent Non-executive Directors:*

Mr. Zhu Yuhua  
Mr. Xu Feng  
Ms. Cao Ying

*Registered office and principal place of  
business in the PRC:*

Industrial Area, Economic and  
Technological Development Zone,  
Ganzhou City, Jiangxi Province,  
81 West Jinling Road, Economic and  
Technological Development Zone  
Ganzhou City, Jiangxi Province, the PRC

*Place of business in Hong Kong:*

40/F, Dah Sing Financial Centre  
248 Queen's Road East  
Wanchai, Hong Kong

To the Shareholders

Dear Sir or Madam,

- (1) **ENGAGEMENT OF AUDITORS FOR THE YEAR 2026**
- (2) **APPLICATION TO BANKS FOR INTEGRATED CREDIT FACILITIES BY THE COMPANY  
AND ITS SUBSIDIARIES AND THE RELATED GUARANTEE**
- (3) **ADJUSTMENT OF DIRECTORS' ALLOWANCES OF THE FOURTH BOARD OF  
DIRECTORS OF THE COMPANY**
- (4) **PURCHASE OF LIABILITY INSURANCE FOR THE COMPANY,  
DIRECTORS AND SENIOR MANAGEMENT**
- (5) **CHANGE OF REGISTERED CAPITAL OF THE COMPANY AND AMENDMENTS TO THE  
ARTICLES OF ASSOCIATION AND ITS APPENDIX**
- (6) **GENERAL MANDATE TO ISSUE ADDITIONAL A SHARES OR  
H SHARES OF THE COMPANY**
- (7) **HANDLING MATTERS IN RELATION TO THE SMALL-SCALE RAPID FINANCING**
- (8) **GENERAL MANDATE TO ISSUE DOMESTIC AND  
OVERSEAS DEBT FINANCING INSTRUMENTS**
- (9) **GENERAL MANDATE GRANTED TO THE BOARD OF  
DIRECTORS TO REPURCHASE SHARES  
AND**
- (10) **NOTICE OF THE 2025 ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide Shareholders with information in respect of certain resolutions to be proposed at the AGM to be held on Tuesday, 28 April 2026 at 2:30 p.m. to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM. For the details of the proposed resolutions at the AGM, please also refer to the notice of the AGM enclosed with this circular and the Company's annual report for 2025.

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## LETTER FROM THE BOARD

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### **MATTERS TO BE RESOLVED AT THE AGM**

#### **(1) ENGAGEMENT OF AUDITORS FOR THE YEAR 2026**

An ordinary resolution will be proposed at the AGM to consider and approve the re-appointment of Ernst & Young Hua Ming LLP as the domestic auditor of the Company for the year 2026, and the re-appointment of Ernst & Young as the international auditor of the Company for the year 2026 with a term of one year. The relevant annual audit fees will be determined by the management, as to be authorized at the AGM through a proposal of the Board, based on the specific efforts and market price level of the audit work in 2026.

#### **(2) APPLICATION TO BANKS FOR INTEGRATED CREDIT FACILITIES BY THE COMPANY AND ITS SUBSIDIARIES AND THE RELATED GUARANTEE**

A special resolution will be proposed at the AGM to consider and approve the application to banks for integrated credit facilities by the Company and its subsidiaries and the related guarantee, details of which are set out in Appendix I to this circular.

#### **(3) ADJUSTMENT OF DIRECTORS' ALLOWANCES OF THE FOURTH BOARD OF DIRECTORS OF THE COMPANY**

- (a) Pursuant to the applicable current laws and regulations and the provisions of the Articles of Association, the Company shall provide corresponding allowances to the non-independent Directors of the fourth Board of Directors who do not hold other positions in the Company. With a view to further improving the corporate governance structure and establishing a scientific and reasonable incentive mechanism for Directors, taking into account the industry in which the Company operates, the regional economic development level and the Company's business development status, the Company proposes to adjust the allowance standard for non-independent Directors from RMB150,000 per annum to RMB200,000 per annum. The adjusted allowance standard for non-independent Directors shall take effect from the month in which the AGM approves the resolution.
- (b) Pursuant to the applicable current laws and regulations and the provisions of the Articles of Association, the Company shall provide corresponding allowances to the independent Directors of the fourth Board of Directors. To give better play to the role of independent Directors in decision-making, supervision and checks and balances, and professional consultation, improve the corporate governance standards and safeguard the interests of the Company and its Shareholders, the Company, taking into account its industry, the regional economic development level and its business development status, proposes to adjust the allowance standard for independent Directors from RMB150,000 per annum to RMB200,000 per annum. The adjusted allowance standard for independent Directors shall take effect from the month in which the AGM approves the resolution.

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## LETTER FROM THE BOARD

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The above resolution is subject to approval by the Company's Shareholders by way of an ordinary resolution at the AGM.

#### **(4) PURCHASE OF LIABILITY INSURANCE FOR THE COMPANY, DIRECTORS AND SENIOR MANAGEMENT**

An ordinary resolution will be proposed at the AGM to consider and approve the purchase of liability insurance for the Company, Directors and Senior Management, details of which are set out in Appendix II to this circular.

#### **(5) CHANGE OF REGISTERED CAPITAL OF THE COMPANY AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND ITS APPENDIX**

Reference is made to the announcement of the Company dated 25 March 2026 in relation to the proposed change of the registered capital of the Company (the "**Proposed Change of Registered Capital**") and the proposed amendments to the Articles of Association and its appendix Rules of Procedure for the Board of Directors (the "**Proposed Amendments**").

On 25 April 2025, the Company convened the sixth meeting of the fourth session of the Board and the fifth meeting of the fourth session of the Supervisory Committee. The meetings considered and approved the Resolution on the Plan for Repurchase of the Company's Shares and other resolutions. The aforementioned resolutions were considered and approved by the Company's 2024 AGM held on 28 May 2025. The Company completed the cancellation of the repurchased shares on 10 September 2025. The total number of canceled repurchased A Shares was 3,665,542. Consequently, the total share capital of the Company was reduced by 3,665,542 shares, and the registered capital was decreased by RMB3,665,542.

As of 25 March 2026, the Company has, as the guarantor for its wholly-owned overseas subsidiary, JL MAG Green Tech (Hong Kong) Co., Ltd., regarding the corporate bonds issued overseas amounting to USD117,500,000 which are convertible into the Company's overseas listed foreign shares (H Shares), partially exercised its conversion rights. Bonds with a total principal amount of USD19,400,000 have been converted into 7,122,916 new H Shares of the Company at a conversion price of HKD21.38 per H share. Consequently, the total share capital of the Company has increased by 7,122,916 shares, and the registered capital has increased by RMB7,122,916.

In summary, the total share capital of the Company has increased from 1,372,131,923 shares to 1,375,589,297 shares, and the registered capital has increased from RMB1,372,131,923 to RMB1,375,589,297.

## LETTER FROM THE BOARD

In addition, having considered the Company’s actual circumstances, the Company intends to amend the total number of members of the Board, revising “the Board shall consist of 9 directors” to “the Board of Directors shall consist of 7 to 9 directors”. Correspondingly, “the Board of Directors shall consist of 9 directors” in the Article 5 of the “Rules of Procedure of the Board of Directors” in the Company’s Articles of Association will be revised to “the Board of Directors shall consist of 7 to 9 directors”.

The Board approved and proposed to amend the Articles of Association in respect of the aforesaid changes in the total share capital and registered capital of the Company, while the other contents of the relevant articles remained unchanged; and amend the relevant contents in the Appendix “Rules of Procedure of the Board of Directors” of the Articles of Association concerning the total number of members of the Board, while the other contents of the relevant articles remained unchanged. The specific amendments are as follows:

No.	Before Amendments	After Amendments
1	Article 6 The registered capital of the Company is RMB <u>1,372,131,923</u> .	Article 6 The registered capital of the Company is RMB <b>1,375,589,297</b> .
2	Article 22 The total number of shares of the Company is <u>1,372,131,923</u> , all of which are ordinary shares, including <u>1,144,491,123</u> Shares held by shareholders of A shares, accounting for approximately <u>83.41%</u> of the total share capital of the Company; and <u>227,640,800</u> Shares held by shareholders of H shares, accounting for approximately <u>16.59%</u> of the total share capital of the Company.	Article 22 The total number of shares of the Company is <b>1,375,589,297</b> , all of which are ordinary shares, including <b>1,140,825,581</b> Shares held by shareholders of A shares, accounting for approximately <b>82.93%</b> of the total share capital of the Company; and <b>234,763,716</b> Shares held by shareholders of H shares, accounting for approximately <b>17.07%</b> of the total share capital of the Company.
3	Article 128 The Board of Directors shall consist of <u>9</u> directors, including one employee director. Among them, there are three independent directors, one chairman and one vice chairman.	Article 128 The Board of Directors shall consist of <b>7 to 9</b> directors, including one employee director. Among them, there are three independent directors, one chairman and one vice chairman.

Save for the Proposed Amendments, the other contents of the Articles of Association and its appendix “Rules of Procedure of the Board of Directors” remain unchanged. The Articles of Association and its appendix “Rules of Procedure of the Board of Directors” are drafted in Chinese, and the English version is not an official translation and is for reference only. In case of any discrepancy, the Chinese version shall prevail. The proposed change of registered capital and the Proposed Amendments shall be approved by the shareholders at the general meeting by way of special resolution before they become effective. At the same time, the Board seeks the shareholders’ approval to authorise the management of the Company to handle the modification registration and other matters in connection with the aforesaid changes.

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## LETTER FROM THE BOARD

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### **(6) GENERAL MANDATE TO ISSUE ADDITIONAL A SHARES OR H SHARES OF THE COMPANY**

In view of the Company's development needs and based on the actual situation of the Company, the Board of Directors proposes to seek Shareholders' approval at the AGM by way of special resolutions to authorize the Board of Directors to re-delegate the authority to the chairman of the Board and any person(s) so authorized by him to determine to individually or jointly allot, issue and deal with the A Shares and/or H Shares or securities convertible into such shares, options, warrants or similar rights to subscribe for any A Shares or H Shares of the Company, in an aggregate amount not exceeding 10% of the total number of issued shares of the Company (excluding Treasury Shares), calculated as at the date on which the resolution in relation to the grant of such general mandate to issue additional A Shares and/or H Shares is considered and approved at the AGM.

The Board wishes to state that it has no immediate plans to issue any new Shares under the general mandate. Further details of the special resolution to be passed with respect to the grant of a general mandate to issue additional A Shares or H Shares are set out in Appendix III to this circular.

### **(7) HANDLING MATTERS IN RELATION TO THE SMALL-SCALE RAPID FINANCING**

A special resolution will be proposed at the AGM to consider and approve the authorization to the Board to decide on and deal with all relevant matters in relation to the issue of A Shares with a total financing amount of no more than RMB300 million and 20% of net assets at the end of the latest year to specific target, details of which are set out in Appendix IV to this circular.

The A Shares to be issued pursuant to the authorization in relation to the small-scale rapid financing will be issued under the general mandate to issue additional A Shares or H Shares (if approved by the Shareholders at the AGM).

### **(8) GENERAL MANDATE TO ISSUE DOMESTIC AND OVERSEAS DEBT FINANCING INSTRUMENTS**

In order to meet the needs of the Company's business development, reduce financing costs, and seize favorable market opportunities in a timely manner, in accordance with the Company Law and other relevant laws and regulations, the listing rules of the relevant stock exchanges where the Company's shares are listed (including the Listing Rules), and the Articles of Association, the Board intends to propose to the Shareholders at the AGM to generally and unconditionally authorize the Board of Directors (and for the Board to sub-delegate the authority to the chairman of the Board and any person(s) so authorized by him) to determine and implement specific matters regarding the issuance of debt financing instruments within the quota as approved by the Shareholders at the AGM. Further details of the special resolution to be passed with respect to the grant of a general mandate to issue domestic and overseas debt financing instruments are set out in Appendix V to this circular.

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## LETTER FROM THE BOARD

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### **(9) GENERAL MANDATE GRANTED TO THE BOARD OF DIRECTORS TO REPURCHASE SHARES**

To maintain the stability of the Company's operation, development and stock price, safeguard and protect the long-term interests of its investors, promote the maximisation of the Shareholders' values, or to further strengthen and improve the long-term incentive and restraint mechanism of the Company and ensure the sustainable and healthy development of the Company's operations, the Board has resolved to seek Shareholders' approval at the AGM for the grant of such general mandates for the Board to repurchase Shares. Further details of the special resolution to be passed with respect to the grant of the Repurchase Mandates are set out in Appendix VI to this circular. An explanatory statement required by the Hong Kong Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandates is set out in Appendix VII to this circular.

### **2025 AGM**

The notice convening the AGM of the Company to be held at the conference room of Jinjiang International Hotel, 88 Jindongbei Road, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC on Tuesday, 28 April 2026 at 2:30 p.m. with the form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, please complete and sign the form of proxy for use at the AGM in accordance with the instructions printed thereon and return them to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the AGM (i.e. before 2:30 p.m. on Monday, 27 April 2026). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case maybe) if you so wish.

Directors who hold Shares of the Company and their concert parties shall abstain from voting on the resolution in relation to the adjustment of the Directors' allowances of the fourth session of the Board of Directors of the Company at the AGM; Directors and Senior Management who hold Shares of the Company, and their concert parties, shall abstain from voting on the resolution in relation to the purchase of liability insurance for the Company and the Directors and Senior Management at the AGM. Save as disclosed in this circular, no connected persons of the Company, the Shareholders and their respective associates had a material interest in the resolutions proposed, considered and approved at the AGM which would require them to abstain from voting at the AGM.

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## LETTER FROM THE BOARD

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### CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the H Shareholders entitled to attend and vote at the AGM, the register of members of the H Shares of the Company will be closed from the period of Thursday, 23 April 2026 to Tuesday, 28 April 2026 (both days inclusive), during which no transfer of H Shares will be registered. H Shareholders whose names appear on the register of members of the Company on Thursday, 23 April 2026 shall be entitled to attend and vote at the AGM. H Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's Hong Kong H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at or before 4:30 p.m. on Wednesday, 22 April 2026 to complete registration.

### VOTING BY POLL

According to Rule 13.39(4) of the Hong Kong Listing Rules, apart from certain exceptions, any vote of Shareholders at a general meeting must be taken by poll. On a poll, every Shareholder present in person or by proxy (or being a corporation by its duly authorized representative) shall have one vote for each Share registered in his/her name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she has in the same manner or abstain.

### RECOMMENDATION

The Board considers that each resolution to be proposed at the AGM is in the interests of the Company and the Shareholders as a whole, and accordingly, recommends the Shareholders to vote in favor of all the resolutions to be proposed at the AGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully  
By Order of the Board  
**JL MAG Rare-Earth Co., Ltd.**  
**Cai Baogui**  
*Chairman*

Jiangxi, 2 April 2026

**I. APPLICATION FOR INTEGRATED CREDIT FACILITIES FROM BANKS**

In order to ensure the capital liquidity of the Company and its related subsidiaries, support the Company's strategic development plan, the Company and its related subsidiaries intend to apply for integrated credit facilities from banks, for a period of 12 months from the date of the approval of this resolution at the 2025 AGM. Details are set out below:

<b>No.</b>	<b>Applicant for Credit Facilities</b>	<b>Integrated Credit Facilities Applied for</b>
1	JL MAG Rare-Earth Co., Ltd.	No more than RMB5,018 million
2	JL MAG (Ganzhou) New Materials Co., Ltd.	No more than RMB1,990 million
3	JL MAG (Baotou) Technology Co., Ltd.	No more than RMB2,960 million
4	JL MAG (Ningbo) Technology Co., Ltd.	No more than RMB1,850 million
5	Jiangxi Jincheng Permanent Magnet New Materials Co., Ltd.	No more than RMB1,000 million
6	JL MAG Innovation Co., Ltd.	No more than RMB50 million
7	Ningbo Jinli Trading Co., Ltd.	No more than RMB560 million
8	JL MAG Bonded Magnet Co., Ltd.	No more than RMB10 million
9	JL MAG (Baotou) Intelligent Manufacturing Co., Ltd.	No more than RMB1,200 million

Within the above credit facilities, the Company and its related subsidiaries will distribute it according to the actual situation of applying for integrated credit facilities from the banks. The integrated credit facilities are used for various loans and trade financing businesses such as working capital loans, project loans, bank acceptance bills, import and export documentary bills, bank guarantees, bank factoring, letters of credit. The specific credit line, term, interest rate, guarantee method and other conditions are subject to the final approval of the relevant financial institutions.

## II. PROVISION OF GUARANTEE FOR SUBSIDIARIES

## (1) Overview of the guarantee

In order to meet the business development needs of subsidiaries and ensure their operating capital requirements, while strengthening the day-to-day management of the Company's external guarantees and enhancing the planning and reasonableness of the Company's external guarantees, the Company plans to provide guarantee for its subsidiaries. Details are set out below:

No.	Guaranteed Parties	Guarantee Facilities
1	JL MAG (Ganzhou) New Materials Co., Ltd.	No more than RMB1,990 million
2	Jiangxi Jincheng Permanent Magnet New Materials Co., Ltd.	No more than RMB300 million
3	JL MAG Innovation Co., Ltd.	No more than RMB50 million
4	JL MAG Bonded Magnet Co., Ltd.	No more than RMB10 million
5	JL MAG (Baotou) Intelligent Manufacturing Co., Ltd.	No more than RMB1,200 million

The aforementioned guarantee methods include but are not limited to joint liability guarantees, provision of equity interests in subsidiaries as a pledge guarantee, pledges of other assets and other financial guarantee methods. The term shall fall within 12 months from the date of approval of this resolution at the 2025 AGM. It is also proposed to the general meeting that the management of the Company be authorized to implement the relevant matters within the limit, and the chairman of the Board and any person(s) so authorized by him be authorized to sign relevant agreements and documents.

## (2) Estimation of the guarantee facilities

Guarantor	Guaranteed parties	Shareholding of guarantor	Latest gearing ratio of the guaranteed parties	Remaining balance of guarantee to date (RMB'0,000)	Guarantee facilities newly added (RMB'0,000)	The proportion of guarantee facilities newly added to the latest net assets of the Company	Whether it is a connected guarantee
The Company	JL MAG (Ganzhou) New Materials Co., Ltd.	100%	N/A	0	199,000	26.32%	No
The Company	JL MAG (Baotou) Intelligent Manufacturing Co., Ltd.	100%	34.89%	0	120,000	15.87%	No
The Company	Jiangxi Jincheng Permanent Magnet New Materials Co., Ltd.	100%	48.81%	50,000	30,000	3.97%	No
The Company	JL MAG Innovation Co., Ltd.	100%	77.81%	0	5,000	0.66%	No
The Company	JL MAG Bonded Magnet Co., Ltd.	60%	51.90%	700	1,000	0.13%	No
Total				50,700	355,000	46.95%	-

Note: Taking 1 January 2026 as the base date, the Company transferred its assets, creditor's rights, debts, and employees related to its production and operations to its wholly-owned subsidiary, JL MAG (Ganzhou) New Materials Co., Ltd. Prior to this transfer, JL MAG (Ganzhou) New Materials Co., Ltd. had not yet commenced any business activities.

**(3) Main contents of the guarantee agreement**

As for the proposed guarantee, the relevant guarantee agreement has not been signed, and its main content will be determined through negotiation between the Company and its subsidiaries and the bank, and the ultimate actual total guarantee will not exceed the guarantee quota granted.

**III. AUTHORIZATION SUBMITTED BY THE BOARD TO THE AGM**

The Board proposes to the AGM to authorize the chairman of the Board or any person(s) so authorized by him to examine, approve and execute all documents to the extent of the above credit and guarantee facilities on behalf of the Company, including but not limited to contracts, agreements, vouchers and other legal documents in connection with credit, loan, mortgage, guarantee, account opening and account cancellation, etc. The authorization and guarantee shall be granted for a period of 12 months from the date of approval of this resolution at the 2025 AGM.

To protect the rights and interests of the Company and its Directors and Senior Management, promote the full exercise of powers and performance of duties by relevant responsible persons, and reduce the operational risks of the Company, the Company intends to purchase liability insurance for the Company, Directors and Senior Management in accordance with relevant provisions of the Guidelines for Governance of Listed Companies of the CSRC. The specific plan of the liability insurance is as follows:

1. **Policyholder:** JL MAG RARE-EARTH CO., LTD.
2. **Insured party:** The Company, Directors, and Senior Management, etc.
3. **Indemnity limit for liability:** Not exceeding RMB100 million (subject to the amount determined through negotiation with the insurance company)
4. **Total insurance premium:** Not exceeding RMB350,000 (subject to the final quotation and approval of the insurance company)
5. **Insurance period:** 1 year

The Board proposes to the Shareholders' general meeting to authorize the management of the Company to handle matters in relation to the purchase of liability insurance for the Company, all Directors, Supervisors and Senior Management within the above scope of permission (including, but not limited to, the determination of other relevant responsible persons, determination of the insurance company, determination of the insurance amount, premiums and other insurance terms, selection and engagement of insurance brokerage companies or other intermediaries, execution of relevant legal documents and handling of other insurance related matters, etc.), and matters in relation to the renewal or reinsurance upon or before the expiry of the above liability insurance contract in the future.

To meet the Company's potential strategic positioning or project investment needs, optimize the Company's shareholder structure and supplement daily operating capital, the Board of Directors, taking into account the actual circumstances of the Company, proposes to seek Shareholders' approval at the AGM to authorize the Board of Directors to re-delegate the authority to the chairman of the Board and any person(s) so authorized by him to determine to individually or jointly allot, issue and deal with the A Shares and/or H Shares or securities convertible into such shares, options, warrants or similar rights to subscribe for any A Shares and/or H Shares of the Company, in an aggregate amount not exceeding 10% of the total number of issued shares of the Company (excluding Treasury Shares), calculated as at the date on which the resolution in relation to the grant of such general mandate to issue additional A Shares and/or H Shares is considered and approved at the 2025 AGM (hereinafter referred to as the "**General Mandate**"). According to the requirement of relevant laws and regulations of the PRC, notwithstanding the grant of a General Mandate, the issuance of A Shares is subject to the approval by Shareholders at general meeting, with the particulars of the specific authorization being as follows:

- (I) To generally and unconditionally authorize the Board to re-delegate the chairman of the Board and any person(s) so authorized by him to determine to individually or jointly allot, issue and deal with the A Shares and/or H Shares or securities convertible into such shares, options, warrants or similar rights to subscribe for any A Shares or H Shares of the Company (hereinafter referred to as "**Similar Rights**"), and to determine the terms and conditions for the allotment, issuance and disposal of new shares or Similar Rights, including but not limited to the following terms:
1. class and number of the new Shares to be issued;
  2. pricing mechanism and/or issue price of the new Shares (including price range);
  3. the starting and closing dates of such issue;
  4. class and number of the new Shares to be issued to existing Shareholders; and/or
  5. the making or granting of offers, agreements, options, convertible rights or other relevant rights which might require the exercise of such powers.

- (II) The number of the A Shares or H Shares (excluding the Shares issued by way of the conversion of public reserve into share capital) to be individually or jointly allotted, issued and dealt with (whether pursuant to a share option or otherwise) as determined by the Board or the chairman of the Board and any person(s) so authorized by him in accordance with the General Mandate referred to in the first paragraph above shall not exceed 10% of the total number of issued shares of the Company (excluding Treasury Shares) as at the time of passing this resolution by the Shareholders' general meeting.
- (III) Where the Board or the chairman of the Board and any person(s) so authorized by him have, during the effective period of the mandate referred to in the fifth paragraph herein, determined to allot, issue and deal with the A Shares and/or H Shares or Similar Rights, and the Company also has, during the effective period of the Issue Mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board or the chairman of the Board and any person(s) so authorized by him may, during the effective period of such approval, permission or registration, complete the relevant allotment, issuance and disposal and other matters.
- (IV) To authorize the Board or the chairman of the Board and any person(s) so authorized by him to obtain approvals from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws (including but not limited to the PRC Company Law, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Guidelines for the Standardized Operation of Listed Companies on the Shenzhen Stock Exchange) to exercise the General Mandate.
- (V) The effective period of the General Mandate shall commence from the date of the 2025 AGM to the earliest of the following three dates:
1. twelve months from the date of passing of the relevant resolution at the Company's 2025 AGM;
  2. the conclusion of the Company's 2026 annual general meeting; or
  3. the date on which the Shareholders of the Company pass a special resolution at a general meeting to revoke or vary the General Mandate granted to the Board under this resolution.
- (VI) To authorize the Board or the chairman of the Board and any person(s) so authorized by him to approve, execute and do or procure to execute all such documents, deeds and do all such things as they may consider related to the allotment, issuance and disposal of any new Shares under the above-mentioned General Mandate, handle the necessary procedures and take other necessary actions.

- (VII) To authorize the Board or the chairman of the Board and any person(s) so authorized by him, after the completion of allocation and issuance of the new Shares, to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association in accordance with the manner, type and number of the allotment and issuance of new Shares of the Company and the actual shareholding structure of the Company upon completion of the allotment and issuance of new Shares.

To meet the Company's needs for potential strategic deployment and project investments, etc., the Board of the Company proposes to the Shareholders' general meeting to authorize the Board to decide to issue Shares to specific participants with a total financing amount of not more than RMB300 million and not more than 20% of the net assets as at the end of the latest year according to relevant provisions of the Administrative Measures for Securities Issuance and Registration of Listed Companies (hereinafter referred to as the "**Registration Administrative Measures**"). The authorization period is from the date of approval at the 2025 AGM until the date of convening of the 2026 annual general meeting. This authorization includes the following:

**(1) TYPE AND QUANTITY OF SECURITIES TO BE ISSUED**

To issue RMB ordinary shares (A Shares) listed in China to specific participants with a total financing amount of not more than RMB300 million and not more than 20% of the net assets as at the end of the latest year. The number of Shares to be issued is determined by dividing the total amount of proceeds by the issue price and shall not exceed 20% of the number of issued A Shares (excluding Treasury Shares) of the Company prior to the issuance.

**(2) ISSUANCE METHOD, TARGET SUBSCRIBERS AND ARRANGEMENT OF PLACEMENT TO THE ORIGINAL SHAREHOLDERS**

The issuance will be conducted by way of issuance to specific participants under simplified procedures. The target subscribers shall be not more than 35 specific participants such as legal persons, natural persons or other legal investment organizations that comply with the requirements of the regulatory authorities. The final target subscribers will be determined through negotiation by and between the Board of the Company and the sponsor (lead underwriter) with the authority of the general meeting, according to the subscription quotation.

**(3) PRICING METHOD OR PRICE RANGE**

- (1) The issue price shall not be lower than 80% of the average share price of the Company in the 20 trading days prior to the pricing benchmark date.
- (2) Shares issued to specific participants shall not be transferred within six months from the completion of the issuance. If target subscribers fall under the circumstances specified in the second paragraph of Article 57 of the Registration Administrative Measures, the Shares subscribed by them shall not be transferred within 18 months from the completion of the issuance. Shares derived by target subscribers issued by the Company to specific participants from dividend distribution, capitalization issue and by other forms shall also comply with the lock-up arrangement above.

Authorization to the Board to handle matters in relation to non-public issuance of Shares would not result in a change in control of the Company.

**(4) USE OF RAISED FUNDS**

The use of funds raised from the non-public issuance of Shares shall comply with the following provisions:

- 1) Compliance with the national industrial policy and relevant laws and administrative regulations on environmental protection and land management;
- 2) The funds raised shall not be used for holding financial investments, and shall not be directly or indirectly invested in companies whose main business is the trading of marketable securities;
- 3) After the implementation of the fundraising project, there will be no new horizontal competition or obviously unfair related party transaction with the controlling Shareholders, actual controllers and other enterprises controlled by them that will cause significant adverse effects, or serious impact on the independence of the Company's production and operation.

**(5) VALIDITY PERIOD OF THE RESOLUTION**

From the date of approval at the 2025 AGM until the date of convening of the 2026 annual general meeting.

**(6) AUTHORIZATION TO THE BOARD OF DIRECTORS TO HANDLE THE SPECIFIC MATTERS IN RELATION TO THE OFFERING**

The Board is authorized to handle all matters in relation to the small-scale rapid financing within the scope of this resolution, the Registration Administrative Measures and other laws, regulations and normative documents, including but not limited to:

- 1) to handle the registration of the small-scale rapid financing, including the formulation, revision, signing and registration of the relevant registration documents and other legal documents;
- 2) to the extent permitted by laws, regulations, relevant regulations of the CSRC and the Articles of Association and based on the Company's actual situation, to formulate, adjust and implement the small-scale rapid financing plan, including but not limited to the determination of the amount of funds raised, the issue price, the number of Shares to be issued, the target subscribers and all other matters in relation to the issue plan, as well as the timing of the small-scale rapid financing in accordance with the requirements of the competent authorities;

- 3) to formulate, revise and submit the small-scale rapid financing plan and the application materials for the small-scale rapid financing listing, go through relevant procedures and implement other procedures related to the issuance and listing of Shares, such as restrictions on sales, according to the requirements of relevant government departments and regulatory agencies, and handle information disclosure matters in relation to the small-scale rapid financing in accordance with regulatory requirements;
- 4) to sign, revise, supplement, complete, submit and execute all agreements, contracts and documents related to the small-scale rapid financing (including but not limited to sponsorship and underwriting agreements, agreements related to funds raised, subscription agreements signed with investors, and announcements and other disclosure documents);
- 5) to adjust the specific arrangements for the fundraising investment project within the scope of the resolution of the general meeting according to the requirements of the relevant competent authorities and the actual situation of the securities market;
- 6) to engage intermediaries such as sponsors (lead underwriters), and deal with other matters related to this;
- 7) upon completion of the small-scale rapid financing, to revise the corresponding articles of the Articles of Association according to the results of the small-scale rapid financing, and handle the change in business registration, the registration and custody of the new shares and other relevant matters with the administration for industry and commerce and other relevant departments;
- 8) in the event that the relevant laws and regulations and regulatory authorities impose new provisions and requirements regarding compensating current returns by refinancing, to further analyze, study and demonstrate the effect of the small-scale rapid financing on the current financial indicators and current return for Shareholders of the Company, formulate and revise relevant supplementary measures and policies, and handle all other relevant matters according to relevant laws and regulations and the requirements of the regulatory authorities at that time;
- 9) in case of occurrence of force majeure events or other circumstances where implementation of the small-scale rapid financing would become difficult, or it is practicable but would bring adverse impacts on the Company, or when policies governing the small-scale rapid financing change, to decide to postpone the implementation of the small-scale rapid financing plan at its discretion, or continue to handle matters in relation to the small-scale rapid financing in accordance with the new policies regarding the small-scale rapid financing;

- 10) to adjust the maximum number of Shares to be issued in the event that the change in share capital of the Company as a result of bonus issue, capitalization of capital reserves or other reasons prior to the issuance;
  
- 11) to handle other matters in relation to the small-scale rapid financing.

In order to meet the needs of the Company's business development, reduce financing costs, and seize favorable market opportunities in a timely manner, in accordance with the Company Law and other relevant laws and regulations, the listing rules of the relevant stock exchanges where the Company's shares are listed, and the Articles of Association, the Board intends to propose to the Shareholders at the general meeting to generally and unconditionally authorize the Board of Directors (and for the Board to sub-delegate the authority to the chairman of the Board and any person(s) so authorized by him) to determine and implement specific matters regarding the issuance of debt financing instruments within the quota as approved by the Shareholders at the general meeting:

**I. PRINCIPAL TERMS FOR ISSUANCE OF THE DEBT FINANCING INSTRUMENTS**

- (1) Categories of the debt financing instruments: The relevant debt financing instruments include, but are not limited to, short-term debentures, super short-term debentures, medium-term notes, private placement debt financing instruments, enterprise bonds, corporate bonds, A Share or H Share convertible bonds, offshore RMB bonds and foreign currency bonds, perpetual bonds and other domestic and overseas debt financing instruments denominated in RMB or foreign currency permitted by the competent regulatory authority.
- (2) Size of issuance: The size of issuance of domestic and overseas debt financing instruments totaling not more than RMB2 billion (or an equivalent amount in foreign currency) (calculated based on the aggregate balance outstanding upon the issuance and, in the case of an instrument denominated in a foreign currency, based on the median rate of the exchange rates published by the People's Bank of China on the date of the issuance) is authorized to be issued either one-off or in tranches within the validity period of such authorization.
- (3) Currency of issuance: The currency of issuance of debt financing instruments may be RMB or foreign currency based on the review and approval results of the issuance of debt financing instruments and the domestic and overseas market conditions of debt financing instruments at the time of such issuance.
- (4) Term and interest rate: The maximum term shall be no more than 15 years, with a single term or hybrid type of multiple terms. Domestic debt financing instruments with an indefinite term will not be subject to the above time limit. The specific term, the size of issuance of each term and type of debt financing instruments and their interest rates shall be determined by the Board or the chairman of the Board and any person(s) so authorized by him in accordance with the relevant regulations and the prevailing market conditions.

- (5) Issuer: The Company or its domestic or overseas wholly-owned subsidiary, or special-purpose vehicle established by the Company. If a domestic or overseas wholly-owned subsidiary or special-purpose vehicle is the issuer of debt financing instruments, the Company shall provide guarantees (including those provided by the issuer of debt financing instruments itself and/or by the Company) for the subsidiary or special-purpose vehicle within the quota for issuance of its debt financing instruments, enter into a keep-well agreement or adopt a third-party credit enhancement method for such issuance.
- (6) Issuance price: The specific issuance price shall be determined by the Board or the chairman of the Board and any person(s) so authorized by him in accordance with relevant regulations and market conditions.
- (7) Use of raised funds: It is expected that, after deducting the issuance expenses, the funds raised from the issuance of debt financing instruments are to be used for purposes including meeting the needs of daily operations, repaying loans, replenishing working capital and/or investment, acquisition. The specific use of raised funds shall be determined by the Board or the chairman of the Board and any person(s) so authorized by him in accordance with the capital needs of the Company from time to time.
- (8) Method of issuance: It shall be determined based on the approval process of debt financing instruments, and the domestic and overseas market conditions of debt financing instruments at the time of such issuance.
- (9) In the event of the issuance of A-share or H-share convertible debentures, the new A-share or H-share shares so converted may be issued pursuant to the relevant general mandate considered and approved at the 2025 AGM upon application for conversion by the holders of the convertible debentures.
- (10) The debt financing instruments to be issued are proposed to be listed on the Inter-bank Bond Market, the Shenzhen Stock Exchange, the Hong Kong Stock Exchange, or other domestic or foreign exchanges.

**II. AUTHORIZATION FOR ISSUANCE OF DEBT FINANCING INSTRUMENTS**

- (1) It is proposed that the Shareholders at the general meeting to generally and unconditionally authorize the Board to re-delegate the authority to the chairman of the Board and any person(s) so authorized by him to determine in their absolute discretion, and deal with all matters in respect of the issuance of debt financing instruments in accordance with the Company's needs from time to time as well as the market conditions, including but not limited to:
- 1) to determine and implement the specific proposal and terms of the issuance of debt financing instruments, including but not limited to the establishment and determination of the appropriate issuer, the type of the debt financing instruments to be issued, the method of issuance, currency, the nominal value of debt financing instruments, issue price, size of issuance, interest rate or its determination mechanism, target subscribers, markets for issuance, timing of issuance, term of issuance, issuance in instalments and number of tranches (if applicable), sale-back clause and redemption clause (if applicable), option for raising the coupon rate (if applicable), rating arrangement, guarantees (if applicable), principal and interest repayment period, conversion price, use of raised funds, specific placing arrangement, underwriting arrangement, debt repayment guarantee and all matters in relation to the issuance of debt financing instruments.
  - 2) to carry out all necessary and ancillary actions and procedures in relation to the issuance of debt financing instruments, including but not limited to, engaging intermediary institutions, applying for and handling all approval, registration and filing procedures with the relevant government departments and/or regulatory authorities in connection with the issuance of debt financing instruments on behalf of the Company, executing, revising and implementing all necessary legal documents relating to the issuance of debt financing instruments, selecting trustee(s) for the issuance of debt financing instruments, formulating the rules for meetings of the holders of bonds, handling any information disclosure matters related to debt financing instruments in accordance with the applicable laws, regulations and requirements from regulatory authorities, and handling other matters in connection with the issuance and trading of debt financing instruments.
  - 3) in the event of changes in regulatory policies or market conditions, except for the matters which must be voted on at the general meeting of the Company in accordance with relevant laws, regulations and the Articles of Association, subject to the scope of the authorization by the Shareholders at the general meeting, to adjust relevant matters such as the specific plan for issuing debt

financing instruments in accordance with the opinion of the regulatory authorities or in response to changes in market conditions, or to determine whether or not to continue the work for such issuance in accordance with actual conditions.

- 4) to determine and handle all relevant matters in connection with the listing of debt financing instruments to be issued on the Inter-bank Bond Market, the Shenzhen Stock Exchange, the Hong Kong Stock Exchange or other domestic or foreign exchanges based on market conditions.
  - 5) to handle any other specific matters related to the issuance of debt financing instruments and execute all relevant or necessary documents.
- (2) To agree that at the time of the approval and authorization of the above matters by the Shareholders at the general meeting, the Board be further authorized to delegate the chairman of the Board and any person(s) so authorized by him to implement the issuance of debt financing instruments in accordance with the Company's needs and other market conditions.
- (3) To authorize the chairman of the Board and any person(s) so authorized by him to approve, execute and publish relevant documents, announcements and circulars and make relevant information disclosure in accordance with the applicable rules and regulations in the place where the Shares are listed.

### **III. THE VALIDITY PERIOD OF AUTHORIZATION FOR ISSUANCE OF DEBT FINANCING INSTRUMENTS**

The validity period of authorization for issuance of debt financing instruments shall be effective from the date of approval at the 2025 AGM until the date of the 2026 annual general meeting of the Company.

If the Board or the chairman of the Board and any person(s) so authorized by him have resolved to issue the debt financing instruments within the validity period of the authorization and the Company has also obtained the approval, permission or registration (if applicable) for such issuance from the regulatory authorities within the validity period of the authorization, the Board or the chairman of the Board and any person(s) so authorized by him may complete the issuance of debt financing instruments within the validity period as confirmed by such approval, permission or registration.

To maintain the stability of the Company's operation, development and stock price, safeguard and protect the long-term interests of its investors, promote the maximisation of the Shareholders' values, or to further strengthen and improve the long-term incentive and restraint mechanism of the Company and ensure the sustainable and healthy development of the Company's operations, the Company proposes to request the Shareholders at the general meeting to grant the Board a General Mandate to repurchase Shares. The specific Mandate is as follows:

The Company requests the Shareholders at the general meeting to grant the Board of Directors a mandate to repurchase the Company's A Shares and/or H Shares within the Relevant Period, with the repurchasable quantity being up to 10% of the number of A Shares and/or H Shares (excluding Treasury Shares) as of the date when this resolution is approved by the Shareholders at the general meeting. Additionally, the Board of Directors is authorized to make appropriate and necessary amendments to the relevant content of the Articles of Association, execute necessary documents and make other essential or necessary arrangements for such repurchase in compliance with the requirements under the relevant laws and regulations, and that of the relevant regulatory authorities or competent authorities.

After the above-mentioned General Mandate to repurchase Share is approved by the Shareholders at the general meeting, the Board may determine the terms and conditions for the repurchase of Shares, including but not limited to the following: (1) purpose of the proposed repurchase of Shares; (2) the class and number of Shares to be repurchased; (3) time, price and duration of repurchase of Shares; (4) to perform the approval, filing and information disclosure in relation to the repurchase of Shares.

The Mandate shall remain valid during the Relevant Period. The aforementioned "Relevant Period" refers to the period from the date when the General Mandate to repurchase Shares is approved by the Company's Shareholders at the general meeting until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of 12 months after approval of the resolution by Shareholders at the general meeting; or
- (3) The date on which the Shareholders at the general meeting pass a special resolution to revoke or vary the General Mandate to repurchase Shares.

The General Mandate to repurchase Shares will remain in effect from the date of approval at the general meeting of the Company by special resolutions. In exercising the General Mandate to repurchase Shares, the Board of the Company shall:

- (1) comply with the relevant requirements of the Company Law of the People's Republic of China, the CSRC and the Hong Kong Stock Exchange (as amended from time to time);
- (2) obtain the approval from the CSRC and other relevant PRC government authorities (if any).

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Hong Kong Listing Rules (as modified by Rules 19A.24 and 19A.25 of the Hong Kong Listing Rules), to provide the requisite information the Shareholders to make an informed decision on whether to vote for or against the special resolution to approve the grant of the A Share Repurchase Mandate and H Share Repurchase Mandate.

## **1. REASONS FOR REPURCHASE OF SHARES**

To enable the Board to repurchase Shares within a short period of time in appropriate circumstances to seek the best interests of the Company and its Shareholders and to protect the interests of investors, it is proposed that the A Share Repurchase Mandate and H Share Repurchase Mandate be granted to the Board to repurchase Shares (including both A Shares and/or H Shares). Such repurchases will, depending on market conditions, be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

## **2. NUMBER OF SHARES PROPOSED TO BE REPURCHASED**

As at the Latest Practicable Date, the total number of issued Shares of the Company was 1,375,589,297 Shares, comprising 1,140,825,581 A Shares and 234,763,716 H Shares. Subject to the passing of the resolutions granting the A Share Repurchase Mandate and the H Share Repurchase Mandate and on the basis that no further H Shares or A Shares are issued or repurchased prior to the 2025 AGM, if repurchased in full, the number of Shares that may be repurchased shall not exceed 137,558,929 Shares, of which the number of A Shares that may be repurchased shall not exceed 114,082,558 Shares and the number of H Shares that may be repurchased shall not exceed 23,476,371 Shares, representing approximately 10% of the A Shares and approximately 10% of the H Shares in issue as at the date of the notice of the 2025 AGM, respectively. The specific number of A Shares and/or H Shares to be repurchased shall be subject to the actual number of A Shares and/or H Shares to be repurchased at the expiry of the proposed repurchase period.

## **3. SOURCE OF FUNDING**

In repurchasing A Shares and/or H Shares, the Company intends to apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association, the applicable laws and regulations of the PRC and the listing rules of the relevant stock exchange where the Company's shares are listed.

## **4. EFFECT ON WORKING CAPITAL**

As compared with the financial position of the Company as at 31 December 2025 (being the date to which the latest audited accounts of the Company were made up), the Directors consider that there would not be a material adverse impact on the working capital or the gearing position of the Company in the event that the A Share Repurchase Mandate and the H Share Repurchase Mandate were to be exercised in full during the proposed repurchase period.

## 5. SHARE PRICES

The highest and lowest prices at which the A Shares have traded on the SZSE and the H Shares on the Stock Exchange during the previous 12 months preceding and up to the Latest Practicable Date were as follows:

Year	Month	A Shares		H Shares		
		Highest <i>RMB</i>	Lowest <i>RMB</i>	Highest <i>HKD</i>	Lowest <i>HKD</i>	
2025	March	22.71	19.35	15.64	12.30	
	April	22.56	18.00	15.98	10.62	
	May	22.24	19.65	16.08	13.00	
	June	25.80	20.03	21.75	13.60	
	July	29.79	22.33	21.60	17.72	
	August	44.46	26.61	25.22	17.80	
	September	41.60	32.91	23.60	20.60	
	October	47.77	34.93	29.30	21.74	
	November	38.11	32.83	22.56	17.30	
	December	38.80	31.86	20.96	17.60	
	2026	January	44.10	34.10	24.60	18.26
		February	41.48	33.82	25.64	19.56
March (up to and including the Latest Practicable Date)		40.98	29.02	25.94	18.01	

## 6. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company result of the Directors exercising the powers of the Company to repurchase A Shares and/or H Shares pursuant to the A Share Repurchase Mandate and/or H Share Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's or Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code.

As at the Latest Practicable Date and to the best knowledge of the Directors, Mr. Cai Baogui (蔡報貴), Mr. Hu Zhibin (胡志濱), Mr. Li Xinnong (李忻農), Jiangxi Ruide (江西銳德), Lucky Bamboo Group Holdings Limited, Lucky Bamboo Investments (HK) Limited, Shenzhen Lucky Bamboo Innovation Technology Co., Ltd. (深圳市富貴竹創新技術有限公司), Hevin Limited, Hevin Holding Limited, Shenzhen Hevin Technology Co., Ltd. (深圳市海文瑞科技有限公司), Rui De (Hong Kong) Limited (香港銳德有限公司), Ningbo Ruide Equity Investment Co., Ltd. (寧波銳德股權投資有限公司), Ganzhou Geshuo Investment Management Center

(limited partnership) (贛州格碩投資管理中心(有限合夥)), and Ganzhou Xinsheng Investment Management Center (limited partnership) (贛州欣盛投資管理中心(有限合夥)) (being the controlling Shareholders of the Company and persons acting in concert) (collectively, the “**Concert Group**”) controlled or were entitled to exercise control over the voting rights in respect of 428,441,204 Shares (comprising 408,269,804 A Shares and 20,171,400 H Shares) of the Company, representing approximately 31.15% of the issued share capital of the Company. In the event that the Directors exercise in full the proposed Repurchase Mandates to repurchase Shares, the shareholding of the Concert Group will be increased to approximately 34.61% of the issued share capital of the Company. Accordingly, the shareholding of the Concert Group (when taken together) in the Company would exceed the 2 per cent creeper and thus become obliged to make a general offer in accordance with Rule 26 and Rule 32 of the Takeovers Code as a result of such increase. The Directors confirmed that they have no present intention to repurchase any Shares under the Repurchase Mandates to such an extent which will result in an obligation for the Concert Group to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code, if the Repurchase Mandates are approved by the Shareholders at the AGM. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code and/or any similar applicable laws and regulations, as far as the Directors are aware, as a result of any repurchase of Shares pursuant to the proposed Repurchase Mandates.

Moreover, the Directors will not make any repurchase of Shares on the Stock Exchange if such repurchase of Shares would result in the provisions relating to public float under the Listing Rules not being complied with.

## **7. STATUS OF REPURCHASED A SHARES AND H SHARES**

Pursuant to the Rules for Repurchase of Shares by Listed Companies (《上市公司股份回購規則》) of the CSRC, with reference to the details in relation to the General Mandate to repurchase Shares by the Company, the Company may repurchase A Shares in order to safeguard its value and Shareholders’ rights and interests, or for use in employee stock ownership plans or as equity incentives. The Company has to announce a share repurchase plan which shall include particulars such as price range, purpose and size of the repurchase before making specific repurchase in the A share market, and such repurchased A Shares shall be dealt with according to the disclosed purposes within three years. In respect of the repurchased A Shares that are not being dealt with according to the disclosed purposes, they shall be cancelled before the expiration of the three years. If the purpose of repurchasing Shares is to safeguard its value and Shareholders’ rights and interests, the repurchased A Shares can also be sold through centralized bidding after fulfilling the pre-disclosure obligations.

## **8. SECURITIES REPURCHASE MADE BY THE COMPANY**

During the six months immediately preceding the Latest Practicable Date, the Company had not purchased any A Shares and/or H Shares (whether on the Hong Kong Stock Exchange or otherwise).

**9.    GENERAL INFORMATION**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined under the Hong Kong Listing Rules) have any present intention to sell any Shares to the Company in the event that the proposed grant of the A Share Repurchase Mandate and/or the proposed grant of the H Share Repurchase Mandate to repurchase A Shares and/or H Shares are approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined under the Hong Kong Listing Rules) of the Company that they have a present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the proposed grant of the A Share Repurchase Mandate and/or the proposed grant of the H Share Repurchase Mandate to repurchase A Shares and/or H Shares are approved by the Shareholders.

The Company may cancel the shares bought back under the H Share Repurchase Mandate, and/or hold them as Treasury Shares subject to, for example, market conditions, purposes of repurchase and its capital management needs at the relevant time of the repurchase.

The Directors will exercise the power of the Company to repurchase Shares pursuant to the proposed A Share Repurchase Mandate and/or the H Share Repurchase Mandate to repurchase A Shares and/or H Shares in accordance with the Hong Kong Listing Rules and the applicable laws and regulations of the PRC.

Neither this explanatory statement nor the proposed share repurchases has any unusual features.

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## NOTICE OF THE 2025 ANNUAL GENERAL MEETING

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**金力永磁**  
**JLMAG**

**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)**

### NOTICE OF THE 2025 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 2025 annual general meeting (the “AGM”) of JL MAG Rare-Earth Co., Ltd. (the “Company”) will be held at the conference room of Jinjiang International Hotel, 88 Jindongbei Road, Zhanggong District, Ganzhou City, Jiangxi Province, the PRC on Tuesday, 28 April 2026 at 2:30 p.m. for the purpose of considering and, if thought fit, approving the following resolutions. Unless the context otherwise requires, the terms and expressions used herein shall have same meaning as those defined in the circular of the Company dated 2 April 2026.

#### ORDINARY RESOLUTIONS

1. To consider and approve the work report of the Board for the year 2025
2. To consider and approve the full text of the Company’s 2025 annual report and report summary and 2025 annual results of the Company
3. To consider and approve the Company’s 2025 profit distribution plan
4. To consider and approve the engagement of auditors of the Company for the year 2026
5. To consider and approve the application to banks for integrated credit facilities by the Company and its subsidiaries and the related guarantee
6. To consider and approve the adjustment of Directors’ allowances of the fourth session of the Board of Directors of the Company
7. To consider and approve the purchase of liability insurance for the Company, Directors and Senior Management

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## NOTICE OF THE 2025 ANNUAL GENERAL MEETING

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### SPECIAL RESOLUTIONS

8. To consider and approve the Change of Registered Capital, and the amendments to the Articles of Association and its appendix
  - 8.01 To consider and approve the change of registered capital of the Company and the amendments to the Articles of Association
  - 8.02 To consider and approve the amendments to the Rules of Procedure for the Board of Directors
9. To consider and approve the grant of a General Mandate to issue additional A Shares or H Shares
10. To consider and approve the grant of authorization to the Board to handle matters in relation to the small-scale rapid financing
11. To consider and approve the grant of a General Mandate to apply for issuance of domestic and overseas debt financing instruments
12. To consider and approve the grant of a General Mandate to the Board to repurchase Shares

By Order of the Board  
**JL MAG Rare-Earth Co., Ltd.**  
**Cai Baogui**  
*Chairman*

Jiangxi, 2 April 2026

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

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## NOTICE OF THE 2025 ANNUAL GENERAL MEETING

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*Notes:*

- (1) The register of members of the Company will be closed for the purpose of determining Shareholders' entitlement to attend the AGM from Thursday, 23 April 2026 to Tuesday, 28 April 2026 (both days inclusive). H Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's Hong Kong H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at or before 4:30 p.m. on Wednesday, 22 April 2026 to complete registration. The H Shareholders listed on the register of the Company on Thursday, 23 April 2026 shall have the right to attend and vote at the AGM.

The Board proposed to distribute cash dividends of RMB2.2 (tax inclusive) for every 10 existing shares to the A Shareholders and H Shareholders whose names appear on the registers of members of the Company on the respective record dates. If the total share capital of the Company changes during the period from the promulgation to implementation of the annual profit distribution plan, the aggregate distribution will be adjusted based on the total share capital as at the record date of shareholding as determined by the implementation of the annual profit distribution plan, with the distribution ratio unchanged.

The dividend will be denominated and declared in RMB and distributed to the domestic shareholders and investors participating in the Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect Program in RMB and to the overseas shareholders in Hong Kong Dollar. The exchange rate for the dividend calculation in Hong Kong Dollar is based on the average benchmark exchange rate of RMB against Hong Kong Dollar as published by the People's Bank of China one week preceding the date of the declaration of such dividend. Arrangements for the distribution of the final dividend of A Shares will be announced separately.

- (2) Subject to the approval of the resolution regarding the Company's 2025 profit distribution plan at the AGM, dividends are expected to be distributed on Friday, 26 June 2026, which will be paid to the Shareholders whose names appear on the register of members of the Company after the close of the market on Friday, 8 May 2026. The register of members of the Company will be closed from Tuesday, 5 May 2026 to Friday, 8 May 2026 (both days inclusive). In order for the holders of H Shares of the Company to qualify for receiving the final dividends, but no transfer documents have been registered, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Monday, 4 May 2026 at or before 4:30 p.m.
- (3) The Company shall duly dispatch and publish the circular, and form of proxy of Shareholders of the AGM. Any Shareholder of the Company who intends to appoint a proxy shall refer to the 2025 Annual Report of the Company which were published on the website of the Hong Kong Stock Exchange and the Company's website or dispatched to the relevant Shareholders. The Company's 2025 annual report included Directors' report for 2025, audited financial statements and auditor's report for the year 2025.
- (4) All votes of resolutions at the AGM will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.jlimg.com.cn](http://www.jlimg.com.cn)) in accordance with the Listing Rules.
- (5) Any Shareholder entitled to attend and vote at the AGM can appoint one or more proxies to attend and vote at the AGM on his/her behalf. A proxy need not be a Shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and type of shares in respect of which each proxy is so appointed.
- (6) Shareholders shall appoint their proxies in writing. The form of proxy shall be signed by the Shareholder or his/her/its attorney who has been authorized in writing. If the Shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its director, or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the Shareholder, the power of attorney or other authorization document shall be notarized. For H Shareholders, the aforementioned documents must be lodged with the Company's Hong Kong H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for the holding of the AGM (i.e. before 2:30 p.m. on Monday, 27 April 2026) in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a Shareholder of the Company from attending and voting in person at the AGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

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## NOTICE OF THE 2025 ANNUAL GENERAL MEETING

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- (7) Shareholders shall produce their identification documents when attending the AGM.
- (8) If a proxy attends the AGM on behalf of a Shareholder, he/she should produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specifies the date of its issuance. If a representative of a corporate Shareholder attends the AGM, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the Board or other authority or notarized copy of any authorization documents issued by such corporate Shareholder.
- (9) The AGM is expected to last for half a day. Shareholders who attend the AGM (in person or by proxy) shall bear their own traveling, accommodation and other expenses.
- (10) The contact of the Company:

Address: Board Secretary Office of JL MAG RARE-EARTH CO., LTD., 81 West Jinling Road,  
Economic and Technological Development Zone, Ganzhou City, Jiangxi Province

Postal Code: 341000

Tel: 0797-8068059

Contact Person: Mr. Lai Xunlong  
Mr. Liu Zhaolin

Fax: 0797-8068000