Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

稀镁科技
REMT

稀 鎂 科 技 集 團 控 股 有 限 公 司
RARE EARTH MAGNESIUM TECHNOLOGY GROUP HOLDINGS LIMITED

(in provisional liquidation)
(for restructuring purposes only)
(Incorporated in Bermuda with limited liability)
(Stock code: 00601)

ANNOUNCEMENT IN RESPECT OF A WRIT OF SUMMONS AND UPDATE ON POSSIBLE DEBT RESTRUCTURING

We refer to the announcement of 17 July 2020 informing that Rare Earth Magnesium Technology Group Holdings Limited (the "**Company**") has been placed in provisional liquidation for the purposes of restructuring.

The board of directors of the Company wishes to inform the shareholders and potential investors of the Company that a writ of summons (the "**Writ**") endorsed with the full statement of claim (the "**Statement of Claim**") was issued in the High Court of The Hong Kong Special Administrative Region (the "**High Court**") (action number HCA 1353 of 2020) by a bank (the "**Bank**") against the Company. The Writ was received by the Company's authorized representatives in Hong Kong by way of registered post on 20 August 2020.

According to the Statement of Claim, the Bank is pursuing claims against the Company pursuant to a facility letter dated 15 May 2019 entered into between the Company (as borrower) and the Bank (as lender) (the "**Facility**") in respect of the granting of a term loan in the principal amount of up to HK$33,000,000 (the "**Loan**"). The Bank is claiming against the Company for, *inter alia*, a sum of HK$22,893,397.29 as well as the default interest thereon, further or other relief and related costs.

The Company is in the course of seeking legal advice in respect of the above matter.

The Company also wishes to update the shareholders and potential investors of the Company that a letter of request ("**LOR**") dated 7 August 2020 was issued by the Supreme Court of Bermuda to the High Court for the recognition of the appointment and powers of the joint provisional liquidators in Hong Kong to, *inter alia*, develop and propose a restructuring plan to allow the Company to continue as a going concern. An application has been filed by the joint provisional liquidators to the High Court on 21 August 2020 for an order for the recognition of the appointment and powers of the joint provisional liquidators pursuant to the LOR.

Further announcement(s) will be made by the Company to update the shareholders and potential investors of the Company as and when necessary.

Shareholders and potential investors of the Company are urged to exercise caution when dealing in the securities of the Company.

By order of the Board
Rare Earth Magnesium Technology Group Holdings Limited
(in provisional liquidation)
(for restructuring purposes only)
Fan Kwok Man
Company Secretary

Hong Kong, 24 August 2020

As at the date of this announcement, the executive Directors are Mr. Shum Sai Chit and Mr. Chi Jing Chao; non-executive Director is Professor Meng Jian, independent non-executive Directors are Mr. Kwong Ping Man, Mr. Cheung Sound Poon and Mr. Kwan Ngai Kit.