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洛 阳 钼 业
洛 陽 樂 川 鉬 業 集 團 股 份 有 限 公 司
CMOC Group Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 03993)

ANNOUNCEMENT
UPDATE ON THE CONTINUING CONNECTED TRANSACTIONS UNDER
THE CATL PRODUCT SALES AND
PROCUREMENT FRAMEWORK AGREEMENT
AND
THE KFM SALES AND PROCUREMENT FRAMEWORK AGREEMENT

We refer to the announcement of CMOC Group Limited (the “**Company**”) dated 23 July 2023 (the “**Previous Announcement**”) in relation to the continuing connected transactions under the CATL Product Sales and Procurement Framework Agreement and the KFM Sales and Procurement Framework Agreement. Unless otherwise defined herein, capitalised terms in this announcement shall have the same meanings as those defined in the Previous Announcement.

The Board is pleased to announce that (i) the CATL Product Sales and Procurement Framework Agreement was executed on 28 July 2023 by CMOC Limited and CATL and on the terms disclosed in the Previous Announcement; and (ii) the KFM Sales and Procurement Framework Agreement was executed on 28 July 2023 between the Company, KFM Holding and KFM Mining and on the terms disclosed in the Previous Announcement.

The Company would like to provide the Shareholders and potential investors of the Company with additional information in relation to the continuing connected transactions as set below.

THE CATL CONTINUING CONNECTED TRANSACTIONS

Pricing Policies **(1) *As for the products to be provided by CMOC Limited Group to CATL Group***

It is agreed that the price for each lot of the products purchased by the CATL Group under each CATL Subsequent Agreement should be determined on the basis of market-based pricing principle, subject to certain adjustments mainly involving the cost of funds, the basic pricing coefficient, the moisture content, the percentage of metal content and the impurity element content in the metals. The agreed price shall be determined after arm's length negotiation between both parties to ensure that the price is fair and reasonable and on normal commercial terms.

Pursuant to CATL Subsequent Agreement, if CATL Group shall make prepayment for certain transactions, CMOC Limited Group shall pay interests on such prepayments. The interest rate will be determined by both parties to the contract with reference to the USD Secured Overnight Financing Rate (SOFR) and the interest rates of the deposits that might be granted by third party financial institutions to CMOC Limited and CATL plus a rate not exceeding 2%, and after amicable negotiation, taking into account the factors including their respective financing costs and the Federal Reserve's view on the trend of interest rates.

(2) *As for the products to be purchased by CMOC Limited Group from CATL Group*

It is agreed that the price for each lot of the products purchased by CMOC Limited Group under each CATL Subsequent Agreement should be determined on the basis of market-based pricing principle, subject to certain adjustments mainly involving the cost of funds, the basic pricing coefficient, the moisture content, the percentage of metal content and the impurity element content in the metals. The agreed price shall be determined after arm's length negotiation between both parties to ensure that the price is fair and reasonable and on normal commercial terms.

THE KFM CONTINUING CONNECTED TRANSACTIONS

Pricing Policies **(1) *As for the products to be purchased by CMOC Group from KFM Group***

It is agreed that the price for each lot of the products purchased by the CMOC Group under each KFM Subsequent Agreement should be determined on the basis of market-based pricing principle, subject to certain adjustments mainly involving the cost of funds, the basic pricing coefficient, the moisture content, the percentage of metal content and the impurity element content in the metals. The agreed price shall be determined after arm's length negotiation between parties to the agreement to ensure that the price is fair and reasonable and on normal commercial terms.

Pursuant to KFM Subsequent Agreement, if CMOC Group shall make prepayment for certain transactions, KFM Group shall pay interests on such prepayments. The interest rate will be determined by parties to the agreement mainly with reference to the USD Secured Overnight Financing Rate (SOFR) and the interest rates of the medium and long term loans granted by third party financial institutions to CMOC Group plus a rate of 2% to 5%, and after amicable negotiation, taking into account the factors including the regulatory requirement and financing costs in the DRC, the return on deposit funds, and taking into account the Federal Reserve's view on the trend of interest rates.

(2) *As for the equipment and materials to be provided by CMOC Group to KFM Group*

The price for each lot of equipment and materials sold by the CMOC Group under each KFM Subsequent Agreement will be adjusted based on factors including the market price, the actual quality and the delivery method, and the increase or decrease in related logistics costs. If there is no comparable market price, the price shall be determined in accordance with the principle of reasonable cost and reasonable profit, and the agreed price shall be determined after arm's length negotiation between the parties to the agreement to ensure that the price in relation to the above transactions is fair and reasonable and on normal commercial terms.

The equipment and materials to be provided by CMOC Group, utilizing its advantage as a global procurement platform, to KFM Group under the KFM Sales and Procurement Framework Agreement include (i) equipment including pumps, valves, transformers, construction vehicles; and (ii) materials including sulfur, magnesium oxide, steel balls, sodium hydroxide.

By Order of the Board
CMOC Group Limited*
Yuan Honglin
Chairman

Luoyang City, Henan Province, the PRC, 28 July 2023

As at the date of this announcement, the Company's executive Directors are Mr. Sun Ruiwen and Mr. Li Chaochun; the non-executive Directors are Mr. Yuan Honglin, Mr. Liu Jiuxin and Mr. Jiang Li; and the independent non-executive Directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.

* *For identification purposes only*