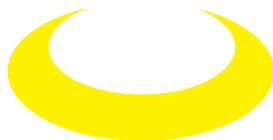


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CHINA CLOUD COPPER COMPANY LIMITED

中國雲銅股份有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock code: 33)

PROPOSED REFRESHMENT OF GENERAL MANDATE

The Board proposes to refresh the general mandate for the Directors to allot and issue Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of the relevant ordinary resolution at the EGM. Pursuant to Rule 13.36(4) of the Listing Rules, the grant of the New General Mandate will be subject to Independent Shareholders' approval at a general meeting of the Company.

An EGM will be held to consider and, if thought fit, pass an ordinary resolution to approve the grant of the New General Mandate. The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Anthony Espina, Mr. Wang Jun Sheng and Mr. Lo Hang Fong, will be established to advise the Independent Shareholders on the proposed grant of the New General Mandate. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of the New General Mandate.

A circular containing, among others, information regarding the proposed grant of the New General Mandate, the recommendation from the Independent Board Committee to the Independent Shareholders, and the recommendation from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the proposed grant of the New General Mandate, together with a notice of EGM will be despatched to the Shareholders as soon as practicable.

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ALLOT, ISSUE AND DEAL WITH NEW SHARES

The Board proposes to refresh the general mandate for the Directors to allot, issue and deal with new Shares up to 20% of the issued share capital of the Company as at the date of passing of the relevant resolutions at the EGM.

EXISTING GENERAL MANDATE

At the AGM, Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing General Mandate to allot and issue not more than 186,543,440 Shares, being 20% of the total number of issued Shares as at the date of passing of the resolution at the AGM.

During the period from the grant of the Existing General Mandate to the date of this announcement, the Existing General Mandate had been utilised as to 181,463,440 Shares (being 97.28% of Shares which can be allotted and issued under the Existing General Mandate) as a result of the completion of the Placing, details of which were set out in the announcements of the Company dated 26 February 2020 and 20 April 2020.

PROPOSED GRANT OF NEW GENERAL MANDATE

As at the date of this announcement, the Existing General Mandate has almost been fully utilised. The Company will convene the EGM at which ordinary resolutions will be proposed to the Independent Shareholders that:

- (i) the Directors be granted the New General Mandate to allot and issue Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of the relevant ordinary resolution at the EGM; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

The Company has not refreshed the Existing General Mandate since the AGM. The New General Mandate proposed will last until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any other applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors under the New General Mandate.

As at the date of this announcement, the Company had an aggregate of 1,119,260,640 Shares in issue. On the basis that no further Shares are issued and/or repurchased by the Company between the date of this announcement and the date of the EGM, the Company will be allowed under the New General Mandate to allot and issue up to 223,852,128 Shares, representing 20% of the aggregate number of the issued Shares as at the date of this announcement.

REASONS FOR THE GRANT OF THE NEW GENERAL MANDATE

The Group is principally engaged in trading of security products and provision of security services, trading of party products and metals and minerals, securities brokerage and assets management, money lending business and credit guarantee and investment business.

As a result of the Placing, the Existing General Mandate has almost been fully utilised. As disclosed in the announcement of the Company dated 29 April 2020, due to the outbreak of the COVID-19 in China, the financial information preparation in relation to the PRC operations was delayed. The audit procedures would only be completed on or before 30 June 2020 and the audited annual results announcement and the annual report for the year ended 31 December 2019 would be published on or before 30 June 2020. It is expected that the next annual general meeting of the Company will be held on or before 31 August 2020, which is about three months from the date of this announcement. The Board is proposing to seek the approval of Independent Shareholders at the EGM on the grant of the New General Mandate such that should funding needs arise or attractive terms for investment become available, the Board will be able to respond to the market and such investment opportunities promptly. In addition, fund raising exercise pursuant to a general mandate provides the Company a more efficient process than other types of fund raising exercises and to avoid the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner.

The Company has no concrete fundraising plan as at the date of this announcement. The Company will grasp any suitable fundraising opportunities should attractive terms for investment become available from potential investors and there is currently no particular fundraising opportunity being identified by the Company as at the date of this announcement.

The Directors have considered other financing alternatives apart from equity financing such as debt financing, right issue, open offer or internal cash resources to meet the financial requirements of the Group, if appropriate, taking into consideration the financial position, capital structure and cost of funding of the Group as well as the prevailing market condition. However, debt financing may be subject to lengthy due diligence and negotiations as compared to the equity financing available to the Directors if the refreshment of the general mandate is granted. Furthermore, rights issue or open offer may also involve substantial time and cost to complete as compared to equity financing by issuance of new Shares under general mandate.

Having considered that (i) the grant of the New General Mandate will empower the Directors to issue new Shares under the refreshed limit and provide the Company with the flexibility and ability to capture any appropriate capital raising or business opportunities in a timely manner, which may arise; and (ii) equity financing does not create any interest paying obligations on the Group, the Board considers the grant of the New General Mandate is in the best interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, there is no concrete plan or agreement with any party to issue Shares by utilising the New General Mandate.

LISTING RULES IMPLICATION

Pursuant to Rule 13.36(4) of the Listing Rules, the grant of the New General Mandate will be subject to Independent Shareholders' approval at a general meeting of the Company. Any controlling Shareholders and their respective associates, or where there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions to approve the grant of the New General Mandate. As at the date of this announcement, there is no controlling Shareholder, and Mr. Ng Yu, the executive Director, chairman of the Board and a substantial Shareholder (as defined under the Listing Rules) and his associates are required to abstain from voting at the EGM.

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, except Mr. Ng Yu and Neo Tech Inc. which is wholly and beneficially owned by him, no Shareholder is required to abstain from voting on the proposed resolution on the grant of the New General Mandate at the EGM.

EGM

An EGM will be held to consider and, if thought fit, pass an ordinary resolution to approve the grant of the New General Mandate. The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Anthony Espina, Mr. Wang Jun Sheng and Mr. Lo Hang Fong, will be established to advise the Independent Shareholders on the proposed grant of the New General Mandate. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of the New General Mandate.

A circular containing, among others, information regarding the proposed grant of the New General Mandate, the recommendation from the Independent Board Committee to the Independent Shareholders, and the recommendation from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the proposed grant of the New General Mandate, together with a notice of EGM will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company held on 18 June 2019 in which the Shareholders had approved, among other matters, the Existing General Mandate
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	China Cloud Copper Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange

“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the grant of the New General Mandate
“Existing General Mandate”	the general mandate granted at the AGM to the Directors to allot, issue and deal with up to 186,543,440 new Shares, being 20% of the total number of issued Shares on the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee of the Company, comprising all the independent non-executive Directors, to advise the Independent Shareholders on the grant of the New General Mandate
“Independent Shareholder(s)”	Shareholder(s) other than any controlling shareholders and their associates or, where there are no controlling shareholders, the Directors (excluding independent non-executive Directors) and the chief executives of the Company and all their respective associates
“New General Mandate”	the general mandate proposed to be granted to the Directors at the EGM to allot, issue and deal with new Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of the EGM
“Placing”	the placing of the Company carried out pursuant to the placing agreement dated 26 February 2020 entered into between the Company and Nerico Brothers Limited, as the placing agent, the completion of which took place on 20 April 2020, and 181,463,440 new Shares have been allotted and issued
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.001 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Shares

“Stock Exchange” The Stock Exchange of Hong Kong Limited
“HK\$” Hong Kong dollars, the lawful currency of Hong Kong
“%” per cent.

By Order of the Board
China Cloud Copper Company Limited
Tsang King Sun
Company Secretary

Hong Kong, 15 May 2020

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Ng Yu, Mr. Wei Weicheng, Mr. Chan Chi Ming, Mr. Lin Feng and Ms. Zhao Hong Mei; one non-executive Director Mr. Huang Shao Long and three independent non-executive Directors, namely Mr. Anthony Espina, Mr. Wang Jun Sheng and Mr. Lo Hang Fong.