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YUE DA MINING HOLDINGS LIMITED

悦達礦業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 629)

DISCLOSEABLE TRANSACTIONS IN RELATION TO THE BUSINESS FACTORING CONSULTANCY AGREEMENTS

BUSINESS FACTORING CONSULTANCY AGREEMENTS

- (1) The Board announces that on 5 December 2017, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into the Business Factoring Consultancy Agreement A with Party B whereby Yueda Commercial Factoring has agreed to provide consultancy services to Party B in relation to commercial factoring and Party B has agreed to pay a fee of RMB2,000,000.00 (equivalent to approximately HK\$2.36 million) to Yueda Commercial Factoring.
- (2) The Board further announces that on 5 December 2017, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into the Business Factoring Consultancy Agreement B with Party C whereby Yueda Commercial Factoring has agreed to provide consultancy services to Party C in relation to commercial factoring and Party C has agreed to pay a fee of RMB3,000,000.00 (equivalent to approximately HK\$3.54 million) to Yueda Commercial Factoring.

LISTING RULES IMPLICATION

As the highest applicable percentage ratio for the Company as calculated under Rule 14.07 of the Listing Rules in relation to the Business Factoring Consultancy Agreement A provided to Party B exceeds 5% but is less than 25%, the entering into the Business Factoring Consultancy Agreement A constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the Company as calculated under Rule 14.07 of the Listing Rules in relation to the Business Factoring Consultancy Agreement B provided to Party C exceeds 5% but is less than 25%, the entering into the Business Factoring Consultancy Agreement B constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

The Board hereby announces that on 5 December 2017, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into the Business Factoring Consultancy Agreements, pursuant to which Yueda Commercial Factoring agreed to provide consultancy services to the Parties in relation to commercial factoring, including but not limited to facilitating the Parties in structuring the commercial factoring transactions, liaising with the factoring companies, conducting due diligence for the factoring projects and to ensure smooth running of the project financing.

The principal terms of the Business Factoring Consultancy Agreements are set out below:

Business Factoring Consultancy Agreement A

Date: 5 December 2017

Parties: (i) the Company
(ii) Party B

Consultancy fee: A lump-sum fee of RMB2,000,000.00 (equivalent to approximately HK\$2.36 million) is payable by Party B to the Company

Default: In the event that Party B fails to pay any sum payable under the Business Factoring Consultancy Agreement A when due, default interest may be charged for each day of late repayment at the rate of 0.1% per day of any sum payable

Business Factoring Consultancy Agreement B

Date: 5 December 2017

Parties: (iii) the Company
(iv) Party C

Consultancy fee: A lump-sum fee of RMB3,000,000.00 (equivalent to approximately HK\$3.54 million) is payable by Party B to the Company

Default: In the event that Party C fails to pay any sum payable under the Business Factoring Consultancy Agreement B when due, default interest may be charged for each day of late repayment at the rate of 0.1% per day of any sum payable

INFORMATION OF THE GROUP

The Group is principally engaged in exploration, mining and processing of metal ores in the PRC. On 15 August 2017, it successfully registered Yueda Commercial Factoring, a wholly owned subsidiary of the Company, to develop through it the commercial factoring business as the principal business of the Group in future.

INFORMATION OF THE PARTIES

Party B, 南京寧攀貿易有限公司 (Nanjing Ningpan Trading Limited*), is a company established in the PRC, which is principally engaged in sales and distribution of office equipment and provision of related technical consultancy services.

Party C, 南京炯炯電子科技有限公司 (Nanjing Jiong Jiong Electronic Technology Limited*), is a company established in the PRC, which is principally engaged in sales and distribution, development and technical support of software and hardware.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Party B and Party C are not parties connected or otherwise associated with one another and their ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF ENTERING INTO THE BUSINESS FACTORING CONSULTANCY AGREEMENTS

Pursuant to the Business Factoring Consultancy Agreements, the Group can obtain revenue and cashflow stream from the consultancy fees earned. The Group intends to use the proceeds as general working capital of the Group.

The Directors consider that the entering into of the Business Factoring Consultancy Agreements is on normal commercial terms which are made on an arm's length basis and the terms are fair and reasonable and in the best interests of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATION

As the highest applicable percentage ratio for the Company as calculated under Rule 14.07 of the Listing Rules in relation to the Business Factoring Consultancy Agreement A provided to Party B exceeds 5% but is less than 25%, the entering into of the Business Factoring Consultancy Agreement A constitute a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the Company as calculated under Rule 14.07 of the Listing Rules in relation to the Business Factoring Consultancy Agreement B provided to Party C exceeds 5% but is less than 25%, the entering into the Business Factoring Consultancy Agreement B constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Business Factoring Consultancy Agreements”	both Business Factoring Consultancy Agreement A and Business Factoring Consultancy Agreement B
“Business Factoring Consultancy Agreement A”	the Business Factoring consultancy agreement dated 5 December 2017 entered into between Yueda Commercial Factoring and Party B
“Business Factoring Consultancy Agreement B”	the Business Factoring consultancy agreement dated 5 December 2017 entered into between Yueda Commercial Factoring and Party C
“Company”	Yue Da Mining Holdings Limited (Stock code: 629), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	(an) independent third party(ies) not connected with the Company and any Director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	both Party B and Party C
“Party B”	南京寧攀貿易有限公司(Nanjing Ningpan Trading Limited*), a company established in the PRC, which is principally engaged in sales and distribution of office equipment and provision of related technical consultancy services

“Party C”	南京炯炯電子科技有限公司 (Nanjing Jiong Jiong Electronic Technology Limited*), a company established in the PRC, which is principally engaged in sales and distribution, development and technical support of software and hardware
“percentage ratio(s)”	as defined in the Listing Rules
“PRC”	the People’s Republic of China and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yueda Commercial Factoring”	Yueda (Shenzhen) Commercial Factoring Co., Ltd., a company established in the PRC and a subsidiary of the Group
“%”	per cent

By order of the Board
Yue Da Mining Holdings Limited
Hu Huaimin
Executive Director and Chief Executive

Hong Kong, 5 December 2017

As at the date of this announcement, the Board comprises Mr. Mao Naihe, Mr. Hu Huaimin and Mr. Bai Zhaoxiang as executive Directors; Mr. Wang Lian Chun and Mr. Qi Guangya as non-executive Directors; and Mr. Cui Shu Ming, Dr. Liu Yongping and Mr. Cheung Ting Kee as independent non-executive Directors.

For illustrative purpose of this announcement and unless otherwise specified, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.18.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

* For identification purpose only