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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 DISPOSAL OF SUBSIDIARY**

#### **THE DISPOSAL**

Reference is made to the Previous Announcement regarding the disposal of the Assets. Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Previous Announcement.

The Board announces that on 30 December 2017, the Company and the Purchaser entered into the Agreement, pursuant to which the Purchaser acquires 100% of the issued share capital of Fly Ascent at a consideration of RMB65.1 million (equivalent to approximately HK\$78.2 million).

#### **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 Agreement exceeds 5% but is less than 25%, the entering into the Agreement 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 30 December 2017, the Company and the Purchaser entered into the Agreement, pursuant to which the Purchaser acquires 100% of the issued share capital of Fly Ascent at a consideration of RMB65.1 million (equivalent to approximately HK\$78.2 million), upon and subject to the terms and conditions of the Agreement (the “**Disposal**”).

## THE AGREEMENT

Date:	30 December 2017
Parties:	(i) the Company, as the vendor (ii) Zhu Guo Fu (朱國富), as the purchaser
Assets to be disposed of:	100% of the issued share capital of Fly Ascent, a wholly-owned subsidiary of the Company
Consideration	The total consideration payable by the Purchaser is RMB65.1 million (equivalent to approximately HK\$78.2 million) which is to be satisfied by the Purchaser's own resources.

### Completion

Completion of the Disposal shall take place on the 10th calendar days after the signing of the Agreement. Upon completion of the Disposal, the Purchaser shall be the shareholder of 100% issued share capital of Fly Ascent and the Company shall cease to be a shareholder of Fly Ascent.

### Basis of Consideration

The Disposal was conducted through a public auction process in the PRC and the Consideration offered by the Purchaser was one of the highest offered among other bidders.

## INFORMATION OF THE COMPANY AND THE DISPOSAL COMPANY

The Company is principally engaged in exploration, mining and processing of metal ores in the PRC.

The disposal company, Fly Ascent is a company established in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company, and is principally engaged in investment holding of a mining company in the PRC.

The financial information of Fly Ascent for the year ended 31 December 2016 and the eleven months ended 30 November 2017 are as follows:

	<b>Eleven months ended 30 November 2017 (unaudited) RMB'000</b>	<b>Year ended 31 December 2016 (audited) RMB'000</b>
Net loss before taxation	211	5,532
Net loss after taxation	211	5,532

## **INFORMATION OF THE PURCHASER**

The Purchaser, Zhu Guo Fu (朱國富) is an individual who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

Based on information available, the Company expects to recognise an unaudited accounting gain of approximately RMB51.8 million (equivalent to approximately HK\$62.2 million) from the disposal, being the difference between (i) the consideration for the Assets and (ii) the aggregate of the estimated unaudited total net asset value of Fly Ascent as recorded in the Company's financial statement as at completion and the estimated expenses to be incurred for the Disposal. The actual gain as a result of the Disposal to be recorded by the Company is subject to final audit to be performed by the Company's auditors.

The Directors expect that the net proceeds from the Disposal will be used as general working capital of the Company. The Directors consider that the Disposal represents an opportunity for the Company to realise its investment in Fly Ascent, which holds a mining company in the PRC. The Directors are also of the view that the Disposal is in line with the intention of the Group to re-focus its resources to develop the new factoring business of the Group.

Taking into consideration the above, the Directors consider that the entering into of the Agreement 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 Company 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 Agreement exceeds 5% but is less than 25%, the entering into of the Agreement 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.

## **DEFINITIONS**

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

“Agreement”	the sale and purchase agreement of the Assets;
“Assets”	100% of the issued share capital of Fly Ascent;
“Company”	Yue Da Mining Holdings Limited 悅達礦業控股有限公司, a company incorporated in the Cayman Islands and the issued Shares of which are listed on the Stock Exchange;

“Consideration”	RMB65.1 million (equivalent to approximately HK\$78.2 million);
“Director(s)”	The directors of the Company;
“Disposal”	the disposal of 100% of the issued share capital of Fly Ascent by the Company pursuant to the Agreement;
“Fly Ascent”	Fly Ascent Group Limited, a company established in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	The People’s Republic of China, which for the purpose of this announcement and unless the context suggests otherwise, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan;
“Previous Announcement”	the voluntary announcement of the Company dated 11 December 2017;
“Purchaser”	Zhu Guo Fu (朱國富), a third party individual who is independent from the Company and its connected persons;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules;
“RMB”	Renminbi, the lawful currency of the PRC.

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

Hong Kong, 2 January 2018

*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\$1.20.*