

*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.*



## 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 TRANSACTION – FACTORING CONTRACT

### FACTORING CONTRACT

The Board hereby announces that on 29 March 2018, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into two factoring business contracts with domestic recourse (the “**Factoring Contracts**”) with Guoben Development, pursuant to which Yueda Commercial Factoring agreed to provide accounts receivables financing, accounts receivable management services and accounts receivable collection services (the “**Accounts Receivable Services**”) to Guoben Development.

### LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio for the Company as calculated under Rule 14.07 of the Listing Rules in relation to the combined factoring loan credit amounts for the Account Receivables Services provided to Guoben Development exceeds 5% but is less than 25%, the entering into of the Factoring Contracts 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.

### FACTORING BUSINESS CONTRACT WITH DOMESTIC RECOURSE

The Board hereby announces that on 29 March 2018, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into two factoring business contracts with domestic recourse (the “**Factoring Contracts**”) with Guoben Development, pursuant to which Yueda Commercial Factoring agreed to provide accounts receivables financing, accounts receivable management services and accounts receivable collection services (the “**Accounts Receivable Services**”) to Guoben Development. Pursuant to the Factoring Contracts, if Guoben Development needs financing facility from Yueda Commercial Factoring, it will make an application for factoring services and Yueda Commercial Factoring will make a credit assessment to determine a credit limit. If the credit assessment is to the satisfaction of Yueda Commercial Factoring, Yueda Commercial Factoring will issue to Guoben Development account receivables management consent which delineates the credit limit, interest rate per annum, the administration fee and the expiry date of the credit limit.

## ACCOUNT RECEIVABLES MANAGEMENT CONSENT

On 29 March 2018, Yueda Commercial Factoring entered into the Factoring Contracts with Guoben Development, and issued to Guoben Development the Account Receivables Management Consent on the same date, pursuant to which Yueda Commercial Factoring granted a combined factoring loan credit limit of RMB90,000,000 (equivalent to approximately HK\$110,700,000) to Guoben Development.

The principal terms of the factoring loan under i) the Factoring Contract; and ii) the Account Receivables Management Consent are substantially similar and are set out below:

Date	:	29 March 2018
Parties	:	<i>For Guoben Development:</i>  (1) Guoben Development, a company established in the PRC with limited liability and is principally engaged in supply chain management, bulk commodity trading, financial assets investment and management etc.. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Guoben Development and its ultimate beneficial owner are Independent Third Parties.  (2) Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company which principal business is, among other things, commercial factoring.
Credit limit	:	RMB90,000,000 (equivalent to approximately HK\$110,700,000)
Interest rate per annum	:	7.0%
Factoring administration fees	:	2.5% per annum
Credit period	:	6 months
Guarantor	:	Guoben Holdings
Additional Assurance	:	The debtor of the accounts receivables provides an electronic acceptance bill
Expiry date of the factoring facilities	:	29 March 2019

The interest rate of the Factoring Contracts is determined by the parties through arm's length negotiation taking into account: i) the credit rating of Guoben Development and the debtor of the accounts receivables provided by Guoben Development; ii) the credit period; iii) the factoring is with recourse; and iv) the factoring loan is guaranteed by Guoben Holdings and an electronic acceptance bill provided by the debtor of the accounts receivables.

Guoben Holdings directly owns Guoben Development at the percentage of 100%.

## **REASONS FOR THE FACTORING CONTRACT**

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. The Directors consider that the Factoring Contracts were entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

Given that the Factoring Contracts are being conducted in the ordinary and usual course of business of Yueda Commercial Factoring, which will contribute profit to the Company over the financing term, is under normal commercial terms, and is beneficial to the Group in its business expansion and establishment of long term business relationship with Guoben Development, the Directors are of the view that the terms of and the Factoring Contract is fair and reasonable and are in the interests of the Company and Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio for the Company as calculated under Rule 14.07 of the Listing Rules in relation to the combined factoring loan credit amounts for the Account Receivables Services provided to Guoben Development exceeds 5% but is less than 25%, the entering into of the Factoring Contracts constitutes a discloseable transaction for 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 expressions shall have the following respective meanings.

“Account Receivables Management Consent”	the agreement made by Yueda Commercial Factoring on 29 March 2018 to grant a combined factoring loan of a credit limit of RMB90,000,000 (equivalent to approximately HK\$110,700,000)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Yue Da Mining Holdings Limited, a company incorporated with limited liability in the Cayman Islands, whose Shares are listed on the of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company
“Factoring Contracts”	the factoring business contracts with domestic resources between Yueda Commercial Factoring and Guoben Development dated 29 March 2018 pursuant to which Yueda Commercial Factoring has in principal agreed to provide accounts receivables financing, accounts receivable management services and accounts receivable collection services to Guoben Development
“Group”	the Company and its subsidiaries
“Guoben Holdings”	Guoben Holdings Co., Ltd.
“Guoben Development”	Guoben (Shanghai) Enterprise Co., Ltd, a company established in the PRC, which is principally engaged in supply chain management, bulk commodity trading, financial assets investment and management etc.
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary share(s) having a par value of HK\$0.01 each in the capital of the Company
“Shareholders”	the holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“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 Directors and Chief Executive*

Hong Kong, 29 March 2018

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

*Unless otherwise stated, translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.23 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.*

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