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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 TRANSACTION – FACTORING CONTRACT

FACTORING CONTRACT

The Board hereby announces that on 17 April 2018, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into a factoring business contract with domestic recourse (the “**Factoring Contract**”) 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

The First Guoben Factoring Contract and the Second Guoben Factoring Contracts itself were discloseable transactions of the Company under the Listing Rules.

As the contracting parties are the same, therefore, the applicable percentage ratios for the Company in relation to the Factoring Contract, the First Guoben Factoring Contract and the Second Guoben Factoring Contracts as calculated under Rule 14.07 of the Listing Rules are to be aggregated.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Factoring Contract, the First Guoben Factoring Contract and the Second Guoben Factoring Contracts (in aggregate) exceeds 5% and all applicable percentage ratios (as defined under the Listing Rules) are less than 25%, the Factoring Contract, the First Guoben Factoring Contract and the Second Guoben Factoring Contracts (in aggregate) constitutes a discloseable transaction of the Company under the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

FACTORING BUSINESS CONTRACT WITH DOMESTIC RECOURSE

The Board hereby announces that on 17 April 2018, Yueda Commercial Factoring, an indirect wholly owned subsidiary of the Company, entered into a factoring business contract 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 Contract, 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 17 April 2018, Yueda Commercial Factoring entered into the Factoring Contract 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 factoring loan credit limit of RMB20,000,000 (equivalent to approximately HK\$25,000,000) 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	:	17 April 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	:	RMB20,000,000 (equivalent to approximately HK\$25,000,000)
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 : 17 April 2019

The interest rate of the Factoring Contract 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 Contract was entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

Given that the Factoring Contract is 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

The First Guoben Factoring Contract and the Second Guoben Factoring Contracts itself were discloseable transactions of the Company under the Listing Rules.

As the contracting parties are the same, therefore, the applicable percentage ratios for the Company in relation to the Factoring Contract, the First Guoben Factoring Contract and the Second Guoben Factoring Contracts as calculated under Rule 14.07 of the Listing Rules are to be aggregated.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Factoring Contract, the First Guoben Factoring Contract and the Second Guoben Factoring Contracts (in aggregate) exceeds 5% and all applicable percentage ratios (as defined under the Listing Rules) are less than 25%, the Factoring Contract, the First Guoben Factoring Contract and the Second Guoben Factoring Contracts (in aggregate) constitutes a discloseable transaction of the Company under the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 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 17 April 2018 to grant a combined factoring loan of a credit limit of RMB20,000,000 (equivalent to approximately HK\$25,000,000)
“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 Contract”	the factoring business contract with domestic resources between Yueda Commercial Factoring and Guoben Development dated 17 April 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
“First Guoben Factoring Contract”	The factoring contract dated 26 September 2017 entered into between Yueda Commercial Factoring and Guoben Development as disclosed in the announcement of the Company dated 26 September 2017
“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
“Second Guoben Factoring Contracts”	The factoring contracts dated 29 March 2018 entered into between Yueda Commercial Factoring and Guoben Development as disclosed in the announcement of the Company dated 29 March 2018
“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, 17 April 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\$1.25 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.