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## **Nickel Resources International Holdings Company Limited**

### **鎳資源國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2889)**

## **UPDATE ON THE BUSINESS OPERATION**

This announcement is made by Nickel Resources International Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.24A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reference is made to the announcement of the Company dated 31 July 2018 in relation to, among other things, the update on the business operation of the Company (the “**Announcement**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise specified.

### **UPDATE ON THE BUSINESS OPERATION**

Despite the extreme operating and financial difficulties caused by the export ban in the Republic of Indonesia since 2014, with the implementation of the resumption plans of the Company, the Group has managed to utilise its existing production capacity through its own special-steel making operations and by providing sub-contracting services to external customers to generate stable revenue.

As disclosed in the Company’s interim results announcement and the 2018 interim report published on 30 August 2018 and the 27 September 2018 respectively, the sales volume of its iron and steel products increased substantially from approximately 26,718 tonnes for the six months ended 30 June 2017 to approximately 38,320 tonnes for the six months ended 30 June 2018. The Group recorded a total revenue of approximately HK\$178.89 million and a gross profit of approximately HK\$71.05 million for the six months ended 30 June 2018, representing an increase of approximately 19.0% and 1,493.8% respectively as compared to the same period of 2017.

The Company has also been exploring different avenues to further enhance the business operation of the Group. As disclosed in the Company’s announcement dated 2 October 2018, on 30 August 2018, the Group entered into a strategic cooperation agreement with a strategic partner (the “**Strategic Partner**”), pursuant to which the Strategic Partner has agreed to provide a loan of not more than RMB100 million to the Group for production of the steel products by utilising the production plants of the Group. The Company expects that the entering into of the strategic cooperation agreement will further enhance the financial position and operational performance of the Group.

### **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended since 9:00 a.m. on 1 April 2015. The trading in the Shares on the Stock Exchange will continue to be suspended until further notice.

**Shareholders and potential investors of the Company should exercise caution when dealing in Shares or other relevant securities of the Company.**

By order of the Board of  
**Nickel Resources International Holdings Company Limited**  
**Dong Shutong**  
*Chairman*

Hong Kong, 31 October 2018

*As at the date of this announcement, the executive Directors are Mr. Dong Shutong (Chairman), Mr. Dong Chengzhe, Mr. Wang Ping, Mr. Song Wenzhou and Mr. Yang Fei; the non-executive Director is Mr. Yang Tianjun; and the independent non-executive Directors are Mr. Bai Baohua, Mr. Wong Chi Keung and Mr. Fahmi Idris.*