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Dragon Crown Group Holdings Limited
龍翔集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 935)

SUPPLEMENTAL ANNOUNCEMENT
RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS –
2019 NINGBO PORT LOADING, DISCHARGING
AND STORAGE AGREEMENT (RENEWED)

This announcement is issued by Dragon Crown Group Holdings Limited (the “**Company**”) to supplement its announcement dated 30 December 2019 in relation to the 2019 Ningbo Port Loading, Discharging and Storage Agreement (Renewed) (the “**Announcement**”). Unless the context otherwise requires, capitalized terms defined in the Announcement have the same meanings when used in this supplemental announcement.

BASIS OF PRICING

The Board wishes to supplement the following information in relation to the 2019 Ningbo Port Loading, Discharging and Storage Agreement (Renewed):

The Group considered the following factors in order of priority before the determination of the fees payable by the Group to Ningbo Zhenhai under the 2019 Ningbo Port Loading, Discharging and Storage Agreement (Renewed):

1. Similar to Ningbo Zhenhai, Ningbo Ningxiang also provides liquid chemical terminal and storage services to its customers at the Group’s terminal in Ningbo. Ningbo Ningxiang may purchase liquid chemical terminal and storage service from third party suppliers of liquid chemical terminal and storage services to meet the demand from its customers from time to time. The Group would ensure that the price payable by the Group to Ningbo Zhenhai under the 2019 Ningbo Port Loading, Discharging and Storage Agreement (Renewed) is more favorable than the price offered by Ningbo Ningxiang to its customers for the provision of liquid chemical terminal and storage services with an acceptable profit margin.

2. By obtaining quotations from not less than two Independent Third Parties suppliers of liquid chemical terminal and storage services at the terminals in Ningbo in the ordinary and usual course of business, the Group would ensure that the price payable by the Group to Ningbo Zhenhai under the 2019 Ningbo Port Loading, Discharging and Storage Agreement (Renewed) is no less favorable than the market prices.

Since the Group is under no obligation to enter into any actual transaction under the 2019 Ningbo Port Loading, Discharging and Storage Agreement (Renewed) unless it is satisfied that the price and terms of the proposed transactions after considering the above factors, the Directors believe that such procedures can ensure that the transactions contemplated by the 2019 Ningbo Port Loading, Discharging and Storage Agreement (Renewed) will be conducted on normal commercial terms (including the prices) or on terms no less favourable than those offered by Independent Third Parties.

By Order of the Board
DRAGON CROWN GROUP HOLDINGS LIMITED
Ng Wai Man
Chairman & Chief Executive Officer

Hong Kong, 7 January 2020

As at the date of this announcement, the executive Directors are Mr. NG Wai Man, Mr. CHONG Yat Chin and Ms. CHAN Wan Ming and the independent non-executive Directors are Mr. FENG Jianping, Mr. HOU Xiaoming and Mr. LAU Sik Yuen.