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E-COMMODITIES HOLDINGS LIMITED

易大宗控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock Code: 1733)

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION REGARDING PROVISION OF THE COUNTER-GUARANTEE

PROVISION OF THE COUNTER-GUARANTEE

On 12 December 2023, Xianghui Energy and the Designated Bank entered into a Facility Agreement, pursuant to which the Designated Bank granted to Xianghui Energy the Banking Facilities in the principal amount of up to RMB800 million. In connection with the Banking Facilities, Xiangyu Joint Stock agreed to provide a corporate guarantee in favour of the Designated Bank in respect of all the liabilities and obligations of Xianghui Energy thereof and executed a bank guarantee contract in relation thereto. Xianghui Energy is owned by the Company and Xiangyu Joint Stock as to 49% and 51%, respectively.

On 28 December 2023, the Company and Xiangyu Joint Stock entered into the Counter-Guarantee Contract, pursuant to which the Company agreed to provide the Counter-Guarantee in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, pursuant to which the Counter-Guarantee is for an aggregate amount of RMB323.4 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the relevant bank guarantee contract provided by Xiangyu Joint Stock in favour of the Designated Bank in connection with the Banking Facilities.

IMPLICATIONS UNDER THE LISTING RULES

Given the party to the Counter-Guarantee Contract and that to the Previous Counter-Guarantee Contract is the same party, the transaction contemplated under the Counter-Guarantee Contract shall be aggregated with the transaction contemplated under the Previous Counter-Guarantee

Contract pursuant to Rule 14.22 of the Listing Rules. As the highest ratio applicable to the transaction under the Counter-Guarantee Contract and the Previous Counter-Guarantee Contract on an aggregate basis exceeds 5% but is less than 25%, the transaction contemplated under the Counter-Guarantee Contract constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Xiangyu Joint Stock is a substantial shareholder of Inner Mongolia E-35 and Haotong Environmental Technology, both of which are indirect non-wholly owned subsidiaries of the Company; therefore, Xiangyu Joint Stock is a connected person of the Company at the subsidiary level under Rule 14A.07(1) of the Listing Rules. As a result, the provision of the Counter-Guarantee constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given the party to the Counter-Guarantee Contract and that to the Previous Counter-Guarantee Contract is the same party, the transaction contemplated under the Counter-Guarantee Contract shall be aggregated with the transaction contemplated under the Previous Counter-Guarantee Contract pursuant to Rule 14A.81 of the Listing Rules. As (i) the Board has approved the transaction contemplated under the Counter-Guarantee Contract; and (ii) the independent non-executive Directors have confirmed that the terms of the transaction contemplated under the Counter-Guarantee Contract are fair and reasonable, and the transaction contemplated thereunder is on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transaction contemplated under the Counter-Guarantee Contract is therefore subject to the reporting, announcement and annual review requirements only but exempt from the circular, independent financial advisors' advice and independent shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

A. PROVISION OF THE COUNTER-GUARANTEE

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On 28 December 2023, the Company and Xiangyu Joint Stock entered into the Counter-Guarantee Contract, pursuant to which the Company agreed to provide the Counter-Guarantee in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, pursuant to which the Counter-Guarantee is for an aggregate amount of RMB323.4 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the relevant bank guarantee contract provided by Xiangyu Joint Stock in favour of the Designated Bank in connection with the Banking Facilities.

The principal terms of the Counter-Guarantee Contract are set out below.

Date

28 December 2023

Parties

- (1) the Company; and
- (2) Xiangyu Joint Stock

Amount Guaranteed

Pursuant to the Counter-Guarantee Contract, the Company agreed to provide the Counter-Guarantee in favour of Xiangyu Joint Stock in an aggregate amount of up to RMB323.4 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the relevant bank guarantee contract in relation to the corporate guarantee provided by Xiangyu Joint Stock in favour of the Designated Bank in connection with the Banking Facilities.

Term of the Counter-Guarantee

The term of the Counter-Guarantee is three years commencing from the date of performance of the obligations by Xiangyu Joint Stock in favour of the Designated Bank in relation to the Banking Facilities.

Bank Guarantee Contract

In connection with the Banking Facilities, Xiangyu Joint Stock entered into a bank guarantee contract, pursuant to which it agreed to provide the corporate guarantee in favour of the Designated Bank to secure all the repayment obligations of Xianghui Energy under the relevant Banking Facilities.

B. REASON FOR AND BENEFIT OF THE COUNTER-GUARANTEE CONTRACT

To further expand Mongolian coal trading businesses, the two parties have achieved the arrangement under the Counter-Guarantee and the related transaction documents, to support Xianghui Energy with sufficient working capital.

The Counter-Guarantee has been reviewed and approved by the Board and none of the Directors has material interests in the transaction.

The Directors (including the independent non-executive Directors) consider that the terms of the Counter-Guarantee Contract are on normal commercial terms, and the transaction contemplated thereunder is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

C. IMPLICATIONS UNDER THE LISTING RULES

Given the party to the Counter-Guarantee Contract and that to the Previous Counter-Guarantee Contract is the same party, the transaction contemplated under the Counter-Guarantee Contract shall be aggregated with the transaction contemplated under the Previous Counter-Guarantee Contract pursuant to Rule 14.22 of the Listing Rules. As the highest ratio applicable to the transaction under the Counter-Guarantee Contract and the Previous Counter-Guarantee Contract on an aggregate basis exceeds 5% but is less than 25%, the transaction contemplated under the Counter-Guarantee Contract constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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D. INFORMATION ON THE PARTIES

The Company

The Company is a company incorporated in the British Virgin Islands and is principally engaged in the processing and trading of coal and other products and providing logistics services throughout the commodity supply chain. The Company is ultimately controlled by Ms. Wang Yihan.

Xiangyu Joint Stock

Xiangyu Joint Stock is a state-owned enterprise owned by Xiamen Xiangyu Group Co., Ltd.* (廈門象嶼集團有限公司) and its shares are listed on the main board of the Shanghai Stock Exchange. Xiangyu Joint Stock is principally engaged in commodities trading, related logistics services, and the development and operation of logistics platforms (parks). Xiangyu Joint Stock is ultimately controlled by the state-owned assets supervision and administration commission of the People's Government of Xiamen City.

E. DEFINITION

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

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| “Banking Facilities” | the banking facilities in the principal amount of up to RMB800 million granted to Xianghui Energy by the Designated Bank pursuant to the Facility Agreement |
| “Board” | the board of Directors |
| “Company” | E-Commodities Holdings Limited, a limited liability company incorporated in the British Virgin Islands, the shares of which are listed and traded on the main board of the Stock Exchange |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Counter-Guarantee” | the irrevocable counter-guarantee in an aggregate amount of up to RMB323.4 million to be provided by the Company in favour of Xiangyu Joint Stock pursuant to the terms of the Counter-Guarantee Contract |
| “Counter-Guarantee Contract” | the counter-guarantee contract dated 28 December 2023 entered into between the Company and Xiangyu Joint Stock in respect of the Counter-Guarantee |
| “Designated Bank” | the bank granting the Banking Facilities to Xianghui Energy |
| “Director(s)” | the director(s) of the Company |
| “Facility Agreement” | the banking facility agreement dated 12 December 2023 entered into between, among others, Xianghui Energy and the Designated Bank, pursuant to which the Designated Bank agreed to grant Xianghui Energy the Banking Facilities |

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| “Haotong Environmental Technology” | Inner Mongolia Haotong Environmental Technology Co., Ltd.* (內蒙古浩通環保科技有限公司), a company established under the laws of the PRC, which is indirectly owned as to 80% by the Company and 20% by Xiangyu Joint Stock, respectively |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Inner Mongolia E-35” | Inner Mongolia E-35 Technology Co., Ltd.* (內蒙古易至科技股份有限公司), a company established under the laws of the PRC, which is indirectly owned as to 80% by the Company and 20% by Xiangyu Joint Stock, respectively |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan |
| “Previous Counter-Guarantee Contract” | the guarantee contract dated 20 October 2023 entered into between the Company and Xiangyu Joint Stock in respect of the irrevocable counter-guarantee in an aggregate amount of up to RMB194.04 million provided by the Company in favour of Xiangyu Joint Stock in connection with the banking facilities in an aggregate principal amount of up to RMB300 million granted to Xianghui Singapore |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Share(s)” | ordinary share(s) of the Company with no par value |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Xianghui Energy” | Xianghui Energy (Xiamen) Co., Ltd.* (象暉能源(廈門)有限公司), a company established under the laws of the PRC with limited liability, which is owned as to 49% by the Company and as to 51% by Xiangyu Joint Stock, respectively |

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| “Xiangyu Joint Stock” | Xiamen Xiangyu Joint Stock Company Limited* (廈門象嶼股份有限公司), a state-owned enterprise incorporated under the laws of the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600057.SH) |
| “Xianghui Singapore” | Xianghui Energy (Singapore) Pte. Ltd., a company established under the laws of the Republic of Singapore with limited liability and a wholly-owned subsidiary of Xianghui Energy |
| “%” | per cent. |

By Order of the Board
E-Commodities Holdings Limited
Cao Xinyi
Chairman

Hong Kong, 28 December 2023

As at the date of this announcement, the executive directors of the Company are Ms. Cao Xinyi, Mr. Wang Yaxu, Mr. Zhao Wei and Ms. Chen Xiuzhu; the non-executive director of the Company is Mr. Jin Zhiqiang; and the independent non-executive directors of the Company are Mr. Ng Yuk Keung, Mr. Wang Wenfu and Mr. Gao Zhikai.

* *For identification purposes only*