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罕王
HANKING

CHINA HANKING HOLDINGS LIMITED

中國罕王控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 03788)

**CONTINUING CONNECTED TRANSACTION – FURTHER
SUPPLEMENTAL AGREEMENT TO THE IRON ORE CONCENTRATES
SALE AGREEMENT**

Reference is made to (i) the announcements of the Company dated 22 November 2016 and 23 December 2016, respectively, and the circular of the Company dated 7 December 2016 in relation to, among others, the non-exempt continuing connected transactions of the Company under the Iron Ore Concentrates Sale Agreement pursuant to which the Company, through its subsidiaries, including but not limited to STSU, agreed to provide iron ore concentrates to Fushun D.R.I. through Dalian Huaren and Fushun Deshan as Fushun D.R.I.’s agents for a term of three years commencing from 1 January 2017; and (ii) the announcement of the Company dated 26 September 2017 in relation to the supplemental agreement dated 26 September 2017 which modified the original terms of the New Agreement.

Capitalised terms used in this announcement have the same meanings as defined in the Company’s announcement dated 26 September 2017 unless the context otherwise requires.

On 10 November 2017, STSU, Fushun D.R.I., Dalian Huaren and Fushun Deshan entered into a further supplemental agreement (together with the supplemental agreement dated 26 September 2017 are hereinafter collectively referred to as the “**Supplemental Agreements**”), pursuant to which, the original pricing policy under the New Agreement will be adopted.

Pursuant to the New Agreement, Fushun D.R.I., Dalian Huaren and/or Fushun Deshan will procure iron ore concentrates from STSU and/or its subsidiaries at the market price and is determined as follows:

- (a) the selling price (inclusive of the relevant transportation costs of the Independent Third Party) at which STSU and/or its subsidiaries sold iron ore concentrates to an Independent Third Party less the relevant transportation costs required to deliver to such Independent Third Party (“**Ex-work Price**”); or
- (b) the selling price (exclusive of transportation costs of the Independent Third Party) at which STSU and/or its subsidiaries sold iron ore concentrates to an Independent Third Party plus the relevant transportation costs required to deliver to Fushun D.R.I. (“**To The Factory Price**”).

The transportation cost arrangement is determined by the delivery location at each time. It means that if the delivery location is at STSU designated location, the price will be at Ex-work Price, while if the delivery location is at Fushun D.R.I. designated location, the price will be at To The Factory Price.

The reason for reverting back to the original pricing policy in the New Agreement is because the parties could benefit from the flexibility of choosing between Ex-work Price or To the Factory Price in determining prices.

Save for the adjustments as set out in the Supplemental Agreements, all the other terms in the New Agreement remain unchanged, and in full force and effect.

By order of the Board
China Hanking Holdings Limited
Yang Jiye
Chairman and executive director

Shenyang, the PRC, 10 November 2017

As at the date of this announcement, the executive directors of the Company are Mr. Yang Jiye, Dr. Pan Guocheng, Mr. Zheng Xuezhi, Dr. Qiu Yumin and Mr. Xia Zhuo; the non-executive director of the Company is Mr. Kenneth Jue Lee; and the independent non-executive directors of the Company are Mr. Wang Ping, Dr. Wang Anjian and Mr. Ma Qingshan.