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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)

**INSIDE INFORMATION
POSITIVE PROFIT ALERT**

This announcement is made by China Hanking Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on a preliminary assessment by the Company’s management on the unaudited consolidated management accounts of the Group, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, it is expected that the Group will record a net profit for the year ending 31 December 2017 (the “**Year 2017**”) as compared with the corresponding period of 2016. Turning from a loss to profit is mainly attributable to: 1) the recognized investment revenue of RMB760 million from the sales of the entire equity interests of Hanking Australia Pty Ltd., a subsidiary held by the Company; 2) the substantial increase on a year-on-year basis in the average selling price of iron ore concentrates, with gross profit margin increasing by approximately 15%, resulting in the iron ore business turning from a loss to profit; 3) the commencement of production and sales in nickel business, which contributed an aggregate sales volume of approximately 150,000 metric tons of nickel for the current year and brings a new income stream to the Group; 4) the substantial decrease in provision for asset impairment; and 5) the significant reduction in the interest expenses and foreign exchange losses. Accordingly, after deducting the impact of recognized investment revenue from the sales of the entire equity interests of Hanking Australia Pty Ltd., a subsidiary held by the Company, the Company’s continuing operations will also record a net profit.

The information contained in this announcement is only based on the preliminary assessment by the Board in accordance with the unaudited consolidated management accounts of the Group up to the date of this announcement, and is not based on any information or figures which have been audited or

reviewed by the Company's auditors and may be subject to possible adjustments. Shareholders and potential investors should read carefully the Company's results announcement for Year 2017 which is scheduled to be published in late March 2018.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Shenyang, the PRC, 27 December 2017

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