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HUSCOKE HOLDINGS LIMITED

和嘉控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 704)

DELAY IN DESPATCH OF CIRCULAR

Reference is made to the announcement of Huscoke Holdings Limited (the “**Company**”) dated 12 September 2019 (the “**Announcement**”) in respect of the major transaction involving formation of a joint venture company. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the Shanxi JV will be engaged principally in project(s) of utilization of coke oven gas, as well as the development of clean energy business including hydrogen.

On 26 October 2019, the Company entered into a cooperation framework agreement (“**Cooperation Framework Agreement**”) with (i) Hunan Yingde Industrial Gas Co., Ltd.* (湖南盈德氣體有限公司) (“**Yingde Gases**”), a member of a Yingde Gases Group, a leading supplier of industrial gas in the PRC and principally engaging in the production, distribution and supply of a variety of industrial gas products in the PRC; (ii) Shanxi Jinyan Energy Technology Company Limited* (山西金岩能源科技有限公司) (the “**Energy Technology**”), a company committed to a coke production project with coke production capacity of 5 million tonnes located in Xiaoyi City, Shanxi Province of the PRC; and (iii) Shanxi Jinyan Fine Chemical Technology Company Limited* (山西金岩精細化工科技有限 公司) (the “**Fine Chemical Technology**”), principally engaging in utilization of coke oven gas producing fine chemical related products (Collectively, the “**Parties**”), in which the Parties set out the general principles of possible business cooperation among the Shanxi JV, Yingde Gases, Energy Technology and Fine Chemical Technology regarding a project (the “**Project**”) to invest in production facilities for liquefied natural gas (“**LNG**”), (by utilization of coke oven gas), synthesis gas (“**Syngas**”) and synthetic ammonia in the Shanxi Province, the PRC.

The estimated investment budget for the Project is RMB3.5 billion. The transactions contemplated under the Cooperation Framework Agreement (including the amount of investment by each party and investment schedule) will be subject to the entering into of the formal agreement(s) to be negotiated and agreed among the relevant Parties.

The general principles agreed in the Cooperation Framework Agreement are summarized below:

1. Yingde Gases is to be responsible for, and invest in, the development, construction and operation of the Project on a build-to-own and operate basis (BOO) for at least 15 years from formal production and to provide LNG, Syngas and synthetic ammonia product processing services to the Company (and the Shanxi JV).
2. The Company (together with the Shanxi JV), Energy Technology and Fine Chemical Technology are to be responsible for obtaining all necessary PRC regulatory approvals for the Project, securing the land for the Project and investing (on terms to be agreed) in the construction of part of the facilities required for the Project. The responsibilities and obligations of the Company are subject to the fulfillment of the conditions precedent to the establishment of Shanxi JV.

The aim is to complete the construction of the LNG facilities before 30 November 2020.

The Board considers that the introduction as strategic partners of the Shanxi JV of Yingde Gases, Energy Technology and Fine Chemical Technology who are stakeholders and/or operators in industries along the coking chemical value chain, will be advantageous and beneficial to the business of the Shanxi JV. It is expected that the Shanxi JV would be able to leverage on the resources and expertise of such strategic partners, in particular, the prominent background of Yingde Gases in the PRC industrial gas related businesses and its extensive business network in the industry to develop the Project.

DELAY IN DESPATCH OF CIRCULAR

As disclosed in the Announcement, a circular (the “**Circular**”) containing, among other things, further details of the Shareholders Agreement and the transactions contemplated thereunder and notice of SGM is expected to be despatched to the Shareholders on or before 31 October 2019.

In view of the Cooperation Framework Agreement, additional time is required for the Company to update the Circular regarding the new business plan. Further announcement(s) will be made by the Company as may be required by the Listing Rules as and when appropriate and the despatch date of the Circular is expected to be postponed to a date falling on or before 31 December 2019.

By order of the Board
Huscoke Holdings Limited
So Chiu Fung
Executive Director

Hong Kong, 31 October 2019

As at the date of this announcement, the Board comprises Mr. Zhao Xu Guang (Chairman), Mr. Li Qinghua, Mr. So Chiu Fung and Mr. Wang Yijun as executive Directors; Mr. Wong Siu Hung, Patrick and Mr. Huang Man Yem as non-executive Directors; Mr. Lam Hoy Lee, Laurie, Mr. To Wing Tim, Paddy and Dr. Wang Wei Hsin as independent non-executive Directors.

** For identification purposes only*