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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)**

## **POSSIBLE CONTINUING CONNECTED TRANSACTIONS ENTERING INTO THE MUTUAL SUPPLY FRAMEWORK AGREEMENT**

Reference is made to the Company's announcements dated 25 July 2019 and 23 August 2021, and the circular dated 30 August 2019 in relation to, among other things, the Cooperation Agreement and the Capital Increase Agreement, pursuant to the Cooperation Agreement, the Company agreed to proceed to set up logistics segment and integrate with relevant assets controlled by it in relation to the Mongolian coal business, and after the completion of the Capital Increase Agreement, Xiamen Xiangyu will hold a 20% equity interest in each of Inner Mongolia E-35 and Haotong Environmental Technology, respectively.

### **MUTUAL SUPPLY FRAMEWORK AGREEMENT**

The Board announces that, on 31 December 2021, the Company and Xiangyu Joint Stock entered into the Mutual Supply Framework Agreement in relation to the supply of E-Commodities Products and the provision of E-Commodities Services by the Group to Xiamen Xiangyu, and the supply of Xiamen Xiangyu Products and the provision of Xiamen Xiangyu Services by Xiamen Xiangyu to the Group, for a term commencing from 1 January 2022 and ending on 31 December 2024.

### **HONG KONG LISTING RULES IMPLICATIONS**

Upon completion of the Capital Increase Agreement, Xiamen Xiangyu is a substantial shareholder of Inner Mongolia E-35 and Haotong Environmental Technology, both indirect non-wholly owned subsidiaries of the Company, therefore, Xiamen Xiangyu is a connected person of the Company at the subsidiary level under Rule 14A.07(1) of the Listing Rules. As a result, the transactions contemplated under the Mutual Supply Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As (i) the Board has approved the transactions contemplated under the Mutual Supply Framework Agreement; and (ii) the independent non-executive Directors have confirmed that the terms of the transactions

contemplated under the Mutual Supply Framework Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Mutual Supply Framework Agreement 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 requirement under Rule 14A.101 of the Listing Rules.

## A. MUTUAL SUPPLY FRAMEWORK AGREEMENT

Reference is made to the Company's announcements dated 25 July 2019 and 23 August 2021, and the circular dated 30 August 2019 in relation to, among other things, the Cooperation Agreement and the Capital Increase Agreement, pursuant to the Cooperation Agreement, the Company agreed to proceed to set up logistics segment and integrate with relevant assets controlled by it in relation to the Mongolian coal business, and after the completion of the Capital Increase Agreement, Xiamen Xiangyu will hold a 20% equity interest in each of Inner Mongolia E-35 and Haotong Environmental Technology, respectively.

The Board announces that, on 31 December 2021, the Company and Xiangyu Joint Stock entered into the Mutual Supply Framework Agreement in relation to the supply of E-Commodities Products and the provision of E-Commodities Services by the Group to Xiamen Xiangyu, and the supply of Xiamen Xiangyu Products and the provision of Xiamen Xiangyu Services by Xiamen Xiangyu to the Group, for a term of 3 years commencing from 1 January 2022 and ending on 31 December 2024.

The principal terms of the Mutual Supply Framework Agreement are summarised as below:

Date	:	31 December 2021
Parties	:	(1) the Company; and (2) Xiangyu Joint Stock
Supply of the E-Commodities Products	:	Under the Mutual Supply Framework Agreement, the Group shall supply the E-Commodities Products to Xiamen Xiangyu from time to time during the term of the Mutual Supply Framework Agreement (the " <b>Sale Transaction(s)</b> ").

Pricing basis and policy for the Sale Transaction(s) : Pursuant to the terms of the Mutual Supply Framework Agreement, the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu will from time to time during the term of the Mutual Supply Framework Agreement engage in discussions with a view to entering into the Sale Transaction(s) on terms mutually agreed between the parties. Once the terms have been agreed, the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu shall enter into a Sale Contract to set out the detailed terms and conditions of the relevant Sale Transaction(s).

The prices for each Sale Transaction shall be determined in writing on a case-by-case basis between the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu through arm's-length negotiation, based on normal commercial terms and conditions that not less favourable than those of the same or similar products provided to independent third parties, and shall be in accordance with the following pricing principles:

- (1). with respect to the coal products sold by the Group to Xiamen Xiangyu, the selling price shall be determined between the parties through arm's-length negotiation based on normal commercial terms with reference to (a) the nature, specification and volume of the coal products, (b) the prevailing market price of the coal products traded on the regional coal exchanges in the PRC, or of transactions on the market and (c) within the same region or vicinity, the selling prices for the same or similar transactions entered into between the Group and its independent third party customers on normal commercial terms in the ordinary course of business of the Group; and

- (2). with respect to the petrochemical products, iron ores and other products sold by the Group to Xiamen Xiangyu, the selling price shall be determined between the parties through arm's-length negotiation based on normal commercial terms with reference to (a) the nature, specification and volume of petrochemical products, iron ores and other products, (b) within the region or vicinity for supply of the same or similar products, the selling prices for the same or similar transactions entered into between the Group and its independent third party customers on normal commercial terms in the ordinary course of business of the Group, or (c) if the above is not applicable, within the PRC, the selling prices for the same or similar transactions entered into between the Group and its independent third party customers on normal commercial terms in the ordinary course of business of the Group.

In addition, during the term of the Mutual Supply Framework Agreement, the relevant business, sales and financial departments of the Group will regularly conduct review of the pricing for the Sale Transaction(s), and obtain the relevant information that publicly available and/or of the comparable transactions for reference from time to time, to ensure the relevant pricing policies for the Sale Transaction(s) are performed in accordance with the terms of the Mutual Supply Framework Agreement, and the price and other terms of the relevant Sale Transactions are comparable to those offered to the independent third party customers of the Group.

The terms of each Sale Transaction, as evidenced by the relevant Sale Contract, must comply with the terms of the Mutual Supply Framework Agreement.

Purchase of the Xiamen Xiangyu Products : Under the Mutual Supply Framework Agreement, Xiamen Xiangyu shall supply the Xiamen Xiangyu Products to the Group from time to time during the term of the Mutual Supply Framework Agreement (the “**Procurement Transaction(s)**”).

Pricing basis and policy for the Procurement Transaction(s) : Pursuant to the terms of the Mutual Supply Framework Agreement, the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu will from time to time during the term of the Mutual Supply Framework Agreement engage in discussions with a view to entering into the Procurement Transaction(s) on terms mutually agreed between the parties. Once the terms have been agreed, the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu shall enter into a Purchase Contract to set out the detailed terms and conditions of the relevant Procurement Transaction(s).

The prices for each Procurement Transaction shall be determined in writing on a case-by-case basis between the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu through arm's-length negotiation, based on normal commercial terms and conditions that not less favourable than those of the same or similar products provided to independent third parties, and shall be in accordance with the following pricing principles:

- (1). with respect to the coal products to be purchased by the Group from Xiamen Xiangyu, the selling price shall be determined between the parties based on arm's-length negotiation on normal commercial terms with reference to (a) nature, specification and volume of the relevant coal products, (b) the prevailing market price of coal traded on regional coal exchanges in the PRC, or of transactions on the markets, and (c) within the same region or vicinity, the selling prices of the same or similar transactions entered into between Xiamen Xiangyu and its independent third party customers on normal commercial terms in the ordinary course of business of Xiamen Xiangyu; and

- (2). with respect to the petrochemical products, iron ores and other products to be purchased by the Group from Xiamen Xiangyu, the selling price shall be determined between the parties based on arm's-length negotiation on normal commercial terms with reference to (a) nature, specification and volume of the relevant products, (b) within the region or vicinity for supply of the same or similar products, the selling prices for the same or similar transactions entered into between Xiamen Xiangyu and its independent third party customers on normal commercial terms in the ordinary course of business of Xiamen Xiangyu, or (c) if paragraph above is not applicable, within the PRC, the selling prices for the same or similar transactions entered into between Xiamen Xiangyu and its independent third party customers on normal commercial terms in the ordinary course of business of Xiamen Xiangyu.

In addition, during the term of the Mutual Supply Framework Agreement, the relevant business, procurement and financial departments of the Group will regularly conduct review of the pricing for the Procurement Transaction(s), and obtain the relevant information that publicly available and/or of the comparable transactions for reference from time to time, to ensure the relevant pricing policies for the Procurement Transaction(s) are performed in accordance with the terms of the Mutual Supply Framework Agreement, and the price and other terms of the relevant Procurement Transactions are not less favourable than those offered to the independent third party customers of Xiamen Xiangyu.

The terms of each Procurement Transaction, as evidenced by the relevant Purchase Contract, must comply with the terms of the Mutual Supply Framework Agreement.

Provision of the  
E-Commodities  
Services

- : Under the Mutual Supply Framework Agreement, the Group shall provide the integrated supply chain services and other services to Xiamen Xiangyu from time to time (the “**E-Commodities Service Transaction(s)**”).

Pricing basis and policy for the E-Commodities Service Transaction(s) : Pursuant to the terms of the Mutual Supply Framework Agreement, the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu will from time to time during the term of the Mutual Supply Framework Agreement engage in discussions, when the parties agree on the principal terms of the E-Commodities Service Transaction(s), the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu shall enter into a specific E-Commodities Service Contract to set out the detailed terms and conditions of the relevant E-Commodities Service Transaction(s).

The prices for each E-Commodities Service Transaction shall be determined in writing on a case-by-case basis between the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu through arm's-length negotiation based on normal commercial terms and conditions that not less favourable than those of the same or similar services provided to independent third parties, and shall be in accordance with the following pricing principles:

- (1). with respect to the integrated supply chain services to be provided by the Group to Xiamen Xiangyu, the service fees shall be determined between the parties based on arm's-length negotiation on normal commercial terms with reference to (a) weight, type, storage method, transportation method and transportation distance in respect of the coal, petrochemical products, iron ores and other products, (b) price of similar services provided by third party service providers on the market, and (c) the price and terms shall be subject to normal commercial terms comparable to other independent third party customers of the Group; and
- (2). with respect to the consulting services to be provided by the Group to Xiamen Xiangyu, the service fees shall be determined between the parties based on arm's-length negotiation on normal commercial terms with reference to (a) type of services, (b) price of similar services provided by third party service providers on the market, and (c) the price and terms shall be subject to normal commercial terms comparable to other independent third party customers of the Group.

In addition, during the term of the Mutual Supply Framework Agreement, the relevant business and financial departments of the Group will regularly conduct review of the pricing for the E-Commodities Service Transaction(s), and obtain the relevant publicly available information of at least two similar service providers on the market for reference from time to time, to ensure the relevant pricing policies for the E-Commodities Service Transaction(s) are performed in accordance with the terms of the Mutual Supply Framework Agreement, and the price and other terms of the relevant E-Commodities Service Transactions are comparable to those offered to the independent third party customers of the Group.

The terms of each E-Commodities Service Transaction, as evidenced by the relevant E-Commodities Service Contract, must comply with the terms of the Mutual Supply Framework Agreement.

Provision of Xiamen Xiangyu Services : Under the Mutual Supply Framework Agreement, Xiamen Xiangyu shall provide to the Group the integrated supply chain services and other services, including, among others, the E-Commodities Products related storage, transportation, wash and processing services and consulting services from time to time (the “**Xiamen Xiangyu Service Transaction(s)**”).

Pricing basis and policy for the Xiamen Xiangyu Service Transaction(s) : Pursuant to the terms of the Mutual Supply Framework Agreement, the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu will from time to time during the term of the Mutual Supply Framework Agreement engage in discussions with a view to agree on the principal terms of the Xiamen Xiangyu Service Transaction(s), the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu shall enter into a specific Xiamen Xiangyu Service Contract to set out the detailed terms and conditions of the relevant Xiamen Xiangyu Service Transaction(s).

The prices for each Xiamen Xiangyu Service Transaction shall be determined in writing on a case-by-case basis between the relevant member(s) of the Group and the relevant member(s) of Xiamen Xiangyu through arm’s-length negotiation based on normal commercial terms and conditions that not less favourable than those of the same or similar services provided to independent third parties, and shall be in accordance with the following pricing principles:

- (1). with respect to the relevant services to be provided by Xiamen Xiangyu to the Group including, among others, storage, transportation, wash and processing services in relation to the products of the Group, the service fees shall be determined between the parties through arm's-length negotiation based on normal commercial terms with reference to (a) weight, type, storage method, transportation method and transportation distance in respect of the relevant products, (b) price of similar services provided by third party service providers on the market, and (c) the price and terms shall be not less favourable than those offered to independent third party customers of Xiamen Xiangyu; and
- (2). with respect to the consulting services to be provided by Xiamen Xiangyu to the Group, the service fees shall be determined between the parties through arm's-length negotiation based on normal commercial terms with reference to (a) type of services, (b) price of similar services provided by third party service providers on the market, and (c) the price and terms shall be not less favourable than those offered to independent third party customers of Xiamen Xiangyu.

In addition, during the term of the Mutual Supply Framework Agreement, the relevant procurement and financial departments of the Group will regularly conduct review of the pricing for the Xiamen Xiangyu Service Transaction(s), and obtain the relevant publicly available information of at least two similar service providers on the market for reference from time to time, to ensure the relevant pricing policies for the Xiamen Xiangyu Service Transaction(s) are performed in accordance with the terms of the Mutual Supply Framework Agreement, and the price and other terms of the relevant Xiamen Xiangyu Service Transactions are not less favourable than those offered to the independent third party customers by Xiamen Xiangyu.

The terms of each Xiamen Xiangyu Service Transaction, as evidenced by the relevant Xiamen Xiangyu Service Contract, must comply with the terms of the Mutual Supply Framework Agreement.

Term : Commencing from 1 January 2022 and ending on 31 December 2024 (both days inclusive).

## **Internal Control**

The independent non-executive Directors will conduct an annual review on the continuing connected transactions of the Company in the previous financial year, and confirm in the annual report of the Company that the continuing connected transactions were entered into in the ordinary and usual course of business, and conducted on normal commercial terms or better and according to the agreements of such transactions. The terms are fair, reasonable and in the interest of the Shareholders as a whole. The external auditor of the Company will conduct an annual review on the continuing connected transactions of the Company in the previous financial year according to the Listing Rules, express its opinions, and issue relevant letters to the Board according to the requirements of the Listing Rules.

## **Transaction Cap**

The prices at which the Group have been supplying and providing E-Commodities Products and E-Commodities Services to Xiamen Xiangyu under the relevant transaction arrangements in the past were determined through arm's-length negotiations between the Group and Xiamen Xiangyu, based on the prevailing market prices of such E-Commodities Products and E-Commodities Services. The total values of E-Commodities Products that the Group supplied to Xiamen Xiangyu for the three months ended 31 December 2019, the year ended 31 December 2020 and the six months ended 30 June 2021 were approximately HK\$1,545 million, HK\$676 million and HK\$921 million, respectively, and the total values of the E-Commodities Services that the Group supplied to Xiamen Xiangyu for the three months ended 31 December 2019, the year ended 31 December 2020 and the six months ended 30 June 2021 were approximately HK\$95 million, HK\$902 million and HK\$314 million, respectively.

The prices at which Xiamen Xiangyu have been supplying Xiamen Xiangyu Products to the Group under the relevant transaction arrangements in the past were determined through arm's-length negotiations between the Group and Xiamen Xiangyu, based on the prevailing market prices of such Xiamen Xiangyu Products. The total values of Xiamen Xiangyu Products that Xiamen Xiangyu supplied to the Group for the three months ended 31 December 2019, the year ended 31 December 2020 and the six months ended 30 June 2021 were approximately HK\$22 million, HK\$181 million and HK\$80 million, respectively. The Group and Xiamen Xiangyu did not conduct any similar transactions as the Xiamen Xiangyu Service Transactions under the Mutual Supply Framework Agreement in the past. Therefore, there is no historical amount to be provided.

For the three financial years ending 31 December 2024, it is expected that the caps for relevant Sale Transactions, Procurement Transactions, E-Commodities Service Transactions and Xiamen Xiangyu Service Transactions of the Group under the Mutual Supply Framework Agreement are as follow:

	<b>For the year ending 31 December</b>		
	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Sale Transactions Annual Cap	5,500	6,400	7,420
Procurement Transactions Annual Cap	2,984	4,608	5,990
E-Commodities Service Transactions			
Annual Cap	3,347	3,990	5,187
Xiamen Xiangyu Service Transactions			
Annual Cap	90	120	156
<b>TOTAL</b>	<b>11,921</b>	<b>15,118</b>	<b>18,753</b>

The relevant annual caps for the transactions contemplated under the Mutual Supply Framework Agreement as set out above were arrived at based upon (a) the prices for the relevant products and services as determined according to the pricing policies under the Mutual Supply Framework Agreement; (b) the estimated volume of E-Commodities Products and Xiamen Xiangyu Products to be supplied by the Group and Xiamen Xiangyu, respectively, taking into account the growth in, and the demand of, the Group's business in the future, especially in the next three years following the completion of the Capital Increase Agreement; (c) the estimated volume of E-Commodities Services and Xiamen Xiangyu Services to be provided by the Group and Xiamen Xiangyu, respectively, taking into account the growth in, and the demand of, the Group's business in the future, especially in the next three years following the completion of the Capital Increase Agreement; and (d) the historical transaction values of the relevant supply of products and provision of services under the existing transaction arrangement between the Group and Xiamen Xiangyu.

### **Reasons for and Benefits of Entering into the Mutual Supply Framework Agreement**

In 2019, the parties set up a joint venture company in accordance with the Cooperation Agreement to bring synergies between the businesses of the Company and Xiamen Xiangyu by leveraging each party's resources and advantages, and agreed to integrate the logistics assets of the Group with a view to facilitate the Group to develop its supply chain services business as well as further enhance the Company's logistics, washing and processing capabilities. Since the performance of the Cooperation Agreement, the business cooperation between the parties in accordance with the Cooperation Agreement has been progressed smoothly, and the types of relevant products and services under such cooperation have been increased. Upon completion of the transactions contemplated under the Capital Increase Agreement, Xiangyu Joint Stock will

constitute a connected person of the Company at the subsidiary level, and the relevant transactions between the parties in accordance with the Cooperation Agreement will constitute connected transactions of the Company, thus, the parties propose to enter into the Mutual Supply Framework Agreement to govern such transactions pursuant to the relevant requirements for connected transactions under the Listing Rules. The relevant connected transactions under the Mutual Supply Framework Agreement include the sales of coal related products and provision of logistics services and other services, including storage, transportation, washing and processing services to Xiamen Xiangyu by the Group as well as provision of corresponding products and services to the Group by Xiamen Xiangyu. As disclosed above, the transactions contemplated under the Mutual Supply Framework Agreement will help the parties to further integrate their trade and logistics resources and gain greater market competitiveness.

The Mutual Supply Framework Agreement 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 Mutual Supply Framework Agreement are on normal commercial terms and are fair and reasonable and entering into the Mutual Supply Framework Agreement is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

## **B. HONG KONG LISTING RULES IMPLICATIONS**

Upon completion of the Capital Increase Agreement, Xiamen Xiangyu is a substantial shareholder of Inner Monoglia E-35 and Haotong Environmental Technology, both indirect non-wholly owned subsidiaries of the Company, therefore, Xiamen Xiangyu is a connected person of the Company at the subsidiary level under Rule 14A.07(1) of the Listing Rules. As a result, the transactions contemplated under the Mutual Supply Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As (i) the Board has approved the transactions contemplated under the Mutual Supply Framework Agreement; and (ii) the independent non-executive Directors have confirmed that the terms of the transactions contemplated under the Mutual Supply Framework Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Mutual Supply Framework Agreement 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 requirement under Rule 14A.101 of the Listing Rules.

## **C. 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.

### **Xiangyu Joint Stock**

Xiangyu Joint Stock is a state-owned enterprise owned by Xiamen Xiangyu Group Co., Ltd. and its shares are listed on the main board of the Shanghai Stock Exchange. Xiangyu Joint Stock is principally engaged in procurement and supply and logistic services for bulk commodities, and the development and operator of logistics platforms (parks).

## **D. DEFINITIONS**

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Capital Increase Agreement”	the capital increase agreement dated 23 August 2021 entered into between the Company, Xiangyu Joint Stock and other parties in relation to, among other things, the capital increase to Inner Mongolia E-35 and Haotong Environmental Technology. For details, please refer to the Company’s announcement dated 23 August 2021
“Company”	E-Commodities Holdings Limited, a limited liability company incorporated in the British Virgin Islands, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Cooperation Agreement”	the cooperation agreement dated 25 July 2019 entered into between the Company and Xiangyu Joint Stock (as supplemented on 30 August 2019) in relation to, among others, the formation of a joint venture company. For details, please refer to the Company’s announcement dated 25 July 2019 and the circular dated 30 August 2019

“Director(s)”	the director of the Company
“E-Commodities Products”	coal, petrochemical products, iron ores and other bulk commodities to be supplied by the Company and/or its subsidiaries to Xiangyu Joint Stock and/or its subsidiaries under the Mutual Supply Framework Agreement and the relevant Sale Contract
“E-Commodities Services”	the integrated supply chain services and other services to be supplied by the Company and/or its subsidiaries to Xiangyu Joint Stock and/or its subsidiaries under the Mutual Supply Framework Agreement and the relevant Service Contract, including, among others, coal related storage, transportation, washing and processing services and consulting services
“Group”	the Company and its subsidiaries
“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 to be held as to 80% by the Company and 20% by Xiamen Xiangyu upon completion of the Capital Increase Agreement
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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 to be held as to 80% by the Company and 20% by Xiamen Xiangyu upon completion of the Capital Increase Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mutual Supply Framework Agreement”	the products and services mutual supply framework agreement entered into between the Company and Xiamen Xiangyu in respect of the Sale Transaction(s), Procurement Transaction(s) and Service Transaction(s) from 1 January 2022 to 31 December 2024, the particulars of which are disclosed in this announcement

“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan region
“Purchase Contract”	each separate purchase agreement and/or order in respect of the Procurement Transaction(s) entered into between the Company and/or its subsidiaries and Xiangyu Joint Stock and/or its subsidiaries, the terms of which are determined in accordance with those under the Mutual Supply Framework Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Contract”	each separate sale agreement and/or order in respect of the Sale Transaction(s) entered into between the Company and/or its subsidiaries and Xiangyu Joint Stock and/or its subsidiaries, the terms of which are determined in accordance with those under the Mutual Supply Framework Agreement
“Service Contract”	each separate service agreement and/or order in respect of the Service Transaction(s) entered into between the Company and/or its subsidiaries and Xiangyu Joint Stock and/or its subsidiaries, the terms of which are determined in accordance with those under the Mutual Supply Framework Agreement
“Share(s)”	ordinary share(s) of the Company with no par value
“Shareholder(s)”	holder(s) of the Shares
“subsidiary(ies)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“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 PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600057.SH)
“Xiamen Xiangyu”	Xiangyu Joint Stock and its subsidiaries
“Xiamen Xiangyu Products”	coal, petrochemical products, iron ores and other products to be supplied by Xiangyu Joint Stock and/or its subsidiaries to the Company and/or its subsidiaries under the Mutual Supply Framework Agreement and the relevant Purchase Contract

“Xiamen Xiangyu Services” the integrated supply chain services and other services to be supplied by Xiangyu Joint Stock and/or its subsidiaries to the Company and/or its subsidiaries under the Mutual Supply Framework Agreement and the relevant Service Contract, including, among others, the bulk commodities related storage, transportation, washing and processing services and consulting services

“%” per cent

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

Hong Kong, 31 December 2021

*As at the date of this announcement, the executive Directors of the Company are Ms. Cao Xinyi, Mr. Wang Yaxu, Ms. Di Jingmin and Mr. Zhao Wei; the non-executive Director of the Company is Mr. Guo Lisheng; and the independent non-executive Directors of the Company are Mr. Ng Yuk Keung, Mr. Wang Wenfu and Mr. Gao Zhikai.*

\* *For identification purpose only*