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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)

POSITIVE PROFIT ALERT

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

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that after a preliminary assessment of the Group’s unaudited consolidated management accounts for the financial year ended 31 December 2021 and the latest information currently available to the Board, the Group is expected to record a revenue and net profit of not less than HK\$40,000 million and HK\$3,300 million, respectively, for the financial year ended 31 December 2021, representing a significant improvement as compared to the revenue of approximately HK\$22,000 million and net profit of approximately HK\$453 million for the financial year ended 31 December 2020.

In 2021, the China’s coal imports experienced policy change, the global pandemic outbreak continued and there was a huge change in supply and demand of coal products. Under such volatile markets, the Company recorded the above expected increase in revenue and profit, where it benefits from a timely adjustment to its strategy and its innovative business model, mainly due to the following factors:

- (1) the implementation of the Company’s global expansion strategy for suppliers and customers. The Company sold Australian coking coal to new international market outside China, including Japan, Malaysia and Germany, and quickly established business connections with suppliers in the United States and Canada and the procurement volume from new countries and new suppliers increased significantly, as a result of which, the Company maintained a stable supply to downstream customers;

- (2) in 2021, under the continuing impact of COVID-19 pandemic in Mongolia, the freight volume at the existing border-crossing ports remained low. Benefitting from the Company's deployment and operation experience of the logistics assets at various ports on Sino-Mongolian border, the Company achieved breakthrough in import from new port and seized market shares;
- (3) based on the assets and intelligent system deployment, configuration and integration of the Company's long-term integrated supply chain services (comprising, among others, cross-border logistics, multimodal transportation, washing and processing and warehousing), the Company keenly matched domestic upstream and downstream coking coal resources and ensured the efficient delivery to its customers, further expanded the domestic coking coal business and achieved extremely outstanding growth of our business; and
- (4) the rise in coal price and increase in profit per ton given the supply shortage in the context of the said market condition.

The Company is still in the process of finalising the annual results of the Group for the financial year ended 31 December 2021. The information contained in this announcement is based on a preliminary assessment by the Board of the unaudited consolidated management accounts of the Group and the current information available, which have not yet been reviewed nor audited by the independent external auditors of the Company, nor reviewed by the audit committee of the Company. Further details of the Group's performance will be disclosed in the annual results for the financial year ended 31 December 2021 to be published by the Company.

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

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

Hong Kong, 14 March 2022

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.