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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)**

## **DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION REGARDING PROVISION OF THE COUNTER-GUARANTEE**

### **TERMINATION OF NOVEMBER 2022 COUNTER-GUARANTEE CONTRACT**

Reference is made to the announcement of the Company dated 7 November 2022 in respect of the irrevocable counter-guarantee in the aggregate amount up to RMB269.5 million provided by the Company in favour of Xiangyu Joint Stock in connection with the banking facilities in an aggregate principal amount of up to RMB500 million granted to Xianghui Energy.

On 19 February 2024, the Company and Xiangyu Joint Stock mutually agreed to terminate the November 2022 Counter-Guarantee Contract with immediate effect. This announcement is made by the Company pursuant to Rule 14A.35 of the Listing Rules.

### **PROVISION OF THE COUNTER-GUARANTEE**

On 19 February 2024, the Company and Xiangyu Joint Stock entered into the Counter-Guarantee Contract, pursuant to which the Company agreed to provide the Counter-Guarantee in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, pursuant to which the Counter-Guarantee is for an aggregate amount of RMB215.6 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee contracts provided by Xiangyu Joint Stock in favour of the Designated Banks in relation to the Banking Facilities.

## **IMPLICATIONS UNDER THE LISTING RULES**

Given the party to the Counter-Guarantee Contract and that to the Previous Counter-Guarantee Contracts is the same party, the transaction contemplated under the Counter-Guarantee Contract shall be aggregated with the transactions contemplated under the Previous Counter-Guarantee Contracts pursuant to Rule 14.22 of the Listing Rules. As the highest ratio applicable to the transaction under the Counter-Guarantee Contract and the Previous Counter-Guarantee Contracts on an aggregate basis exceeds 5% but is less than 25%, the transaction contemplated under the Counter-Guarantee Contract constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Xiangyu Joint Stock is a substantial shareholder of Inner Mongolia E-35 and Haotong Environmental Technology, both of which are indirect non-wholly owned subsidiaries of the Company; therefore, Xiangyu Joint Stock is a connected person of the Company at the subsidiary level under Rule 14A.07(1) of the Listing Rules. As a result, the provision of the Counter-Guarantee constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given the party to the Counter-Guarantee Contract and that to the Previous Counter-Guarantee Contracts is the same party, the transaction contemplated under the Counter-Guarantee Contract shall be aggregated with the transactions contemplated under the Previous Counter-Guarantee Contracts pursuant to Rule 14A.81 of the Listing Rules. As (i) the Board has approved the transaction contemplated under the Counter-Guarantee Contract; and (ii) the independent non-executive Directors have confirmed that the terms of the transaction contemplated under the Counter-Guarantee Contract are fair and reasonable, and the transaction contemplated thereunder is on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transaction contemplated under the Counter-Guarantee Contract 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 requirements pursuant to Rule 14A.101 of the Listing Rules.

### **A. TERMINATION OF NOVEMBER 2022 COUNTER-GUARANTEE CONTRACT**

Reference is made to the announcement of the Company dated 7 November 2022 in respect of the irrevocable counter-guarantee in the aggregate amount up to RMB269.5 million provided by the Company in favour of Xiangyu Joint Stock in connection with the banking facilities in an aggregate principal amount of up to RMB500 million granted to Xianghui Energy.

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## **B. PROVISION OF THE COUNTER-GUARANTEE**

On 19 February 2024, the Company and Xiangyu Joint Stock entered into the Counter-Guarantee Contract, pursuant to which the Company agreed to provide the Counter-Guarantee in favour of Xiangyu Joint Stock in proportion to its 49% equity interest in Xianghui Energy, pursuant to which the Counter-Guarantee is for an aggregate amount of RMB215.6 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee contracts provided by Xiangyu Joint Stock in favour of the Designated Banks in relation to the Banking Facilities.

The principal terms of the Counter-Guarantee Contract are set out below.

### **Date**

19 February 2024

### **Parties**

- (1) the Company; and
- (2) Xiangyu Joint Stock

### **Amount Guaranteed**

Pursuant to the Counter-Guarantee Contract, the Company agreed to provide the Counter-Guarantee in favour of Xiangyu Joint Stock in an aggregate amount of up to RMB215.6 million representing proportionate guaranteed amount together with any interests accrued thereon, any penalties, compensation and other related fees and expenses which may be payable by Xiangyu Joint Stock as contemplated under the bank guarantee contracts in relation to the corporate guarantee provided by Xiangyu Joint Stock in favour of the Designated Banks in relation to the Banking Facilities.

### **Term of the Counter-Guarantee**

The term of the Counter-Guarantee is three years commencing from the date of performance of the obligations by Xiangyu Joint Stock in favour of the Designated Banks in relation to the Banking Facilities.

### **Bank Guarantee Contracts**

In connection with the relevant banking facilities extended to Xianghui Energy, according to the requirements of the Designated Banks, a guarantee from the controlling shareholder to secure all the repayment obligations of Xianghui Energy is required for a loan application. In this regard,

Xiangyu Joint Stock agreed to provide the corporate guarantee in favour of the Designated Banks to secure all the repayment obligations of Xianghui Energy under the relevant banking facilities.

#### **C. REASON FOR AND BENEFIT OF THE COUNTER-GUARANTEE CONTRACT**

To further expand Mongolian coal trading businesses, the two parties have arranged through the Counter-Guarantee and the related transaction documents, to support Xianghui Energy with sufficient working capital.

The Counter-Guarantee 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 Counter-Guarantee Contract are on normal commercial terms, and the transaction contemplated thereunder is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

#### **D. IMPLICATIONS UNDER THE LISTING RULES**

Given the party to the Counter-Guarantee Contract and that to the Previous Counter-Guarantee Contracts is the same party, the transaction contemplated under the Counter-Guarantee Contract shall be aggregated with the transactions contemplated under the Previous Counter-Guarantee Contracts pursuant to Rule 14.22 of the Listing Rules. As the highest ratio applicable to the transaction under the Counter-Guarantee Contract and the Previous Counter-Guarantee Contracts on an aggregate basis exceeds 5% but is less than 25%, the transaction contemplated under the Counter-Guarantee Contract constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Xiangyu Joint Stock is a substantial shareholder of Inner Mongolia E-35 and Haotong Environmental Technology, both of which are indirect non-wholly owned subsidiaries of the Company; therefore, Xiangyu Joint Stock is a connected person of the Company at the subsidiary level under Rule 14A.07(1) of the Listing Rules. As a result, the provision of the Counter-Guarantee constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Given the party to the Counter-Guarantee Contract and that to the Previous Counter-Guarantee Contracts is the same party, the transaction contemplated under the Counter-Guarantee Contract shall be aggregated with the transactions contemplated under the Previous Counter-Guarantee Contracts pursuant to Rule 14A.81 of the Listing Rules. As (i) the Board has approved the transaction contemplated under the Counter-Guarantee Contract; and (ii) the independent non-executive Directors have confirmed that the terms of the transaction contemplated under the Counter-Guarantee Contract are fair and reasonable, and the transaction contemplated thereunder is on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transaction contemplated under the Counter-Guarantee

Contract 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 requirements pursuant to Rule 14A.101 of the Listing Rules.

## **E. 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. The Company is ultimately controlled by Ms. Wang Yihan.

### **Xiangyu Joint Stock**

Xiangyu Joint Stock is a state-owned enterprise owned by Xiamen Xiangyu Group Co., Ltd.\* (廈門象嶼集團有限公司) and its shares are listed on the main board of the Shanghai Stock Exchange. Xiangyu Joint Stock is principally engaged in commodities trading, related logistics services, and the development and operation of logistics platforms (parks). Xiangyu Joint Stock is ultimately controlled by the state-owned assets supervision and administration commission of the People's Government of Xiamen City.

## **F. DEFINITION**

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

“Banking Facilities”	the banking facilities in the principal amount of up to RMB400 million granted to Xianghui Energy by the Designated Banks, which comprises the outstanding amount of bank facilities under the November 2022 Counter-Guarantee Contract and the additional banking facilities granted by the Designated Banks contemplated under the Counter-Guarantee Contract
“Board”	the board of Directors
“Company”	E-Commodities Holdings Limited, a limited liability company incorporated in the British Virgin Islands, the shares of which are listed and traded on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Counter-Guarantee”	the irrevocable counter-guarantee in an aggregate amount of up to RMB215.6 million to be provided by the Company in favour of Xiangyu Joint Stock in connection with the Banking Facilities pursuant to the terms of the Counter-Guarantee Contract
“Counter-Guarantee Contract”	the counter-guarantee contract dated 19 February 2024 entered into between the Company and Xiangyu Joint Stock in respect of the Counter-Guarantee
“Designated Banks”	the relevant banks granting the banking facilities in the principal amount of up to RMB400 million to Xianghui Energy
“December 2023 Counter-Guarantee Contract”	the counter-guarantee contract dated 28 December 2023 entered into between the Company and Xiangyu Joint Stock in respect of the irrevocable counter-guarantee in an aggregate amount of up to RMB323.4 million provided by the Company in favour of Xiangyu Joint Stock in connection with the banking facilities in an aggregate principal amount of up to RMB800 million granted to Xianghui Energy
“Director(s)”	the director(s) of the Company
“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 is indirectly owned as to 80% by the Company and 20% by Xiangyu Joint Stock, respectively
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“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 is indirectly owned as to 80% by the Company and 20% by Xiangyu Joint Stock, respectively
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)

“November 2022 Counter-Guarantee Contract”	the counter-guarantee contract dated 7 November 2022 entered into between the Company and Xiangyu Joint Stock in respect of the irrevocable counter-guarantee in the aggregate amount up to RMB269.5 million provided by the Company in favour of Xiangyu Joint Stock in connection with the banking facilities in an aggregate principal amount of up to RMB500 million granted to Xianghui Energy
“October 2023 Counter-Guarantee Contract”	the counter-guarantee contract dated 20 October 2023 entered into between the Company and Xiangyu Joint Stock in respect of the irrevocable counter-guarantee in an aggregate amount of up to RMB194.04 million provided by the Company in favour of Xiangyu Joint Stock in connection with the banking facilities in an aggregate principal amount of up to RMB300 million granted to Xianghui Singapore
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Previous Counter-Guarantee Contracts”	October 2023 Counter-Guarantee Contract and December 2023 Counter-Guarantee Contract
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of the Company with no par value
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xianghui Energy”	Xianghui Energy (Xiamen) Co., Ltd.* (象暉能源(廈門)有限公司), a company established under the laws of the PRC with limited liability, which is owned as to 49% by the Company and as to 51% by Xiangyu Joint Stock, respectively
“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 the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600057.SH)
“Xianghui Singapore”	Xianghui Energy (Singapore) Pte. Ltd., a company established under the laws of the Republic of Singapore with limited liability and a wholly-owned subsidiary of Xianghui Energy

“%”

per cent.

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

Hong Kong, 19 February 2024

*As at the date of this announcement, the executive directors of the Company are Ms. Cao Xinyi, Mr. Wang Yaxu, Mr. Zhao Wei and Ms. Chen Xiuzhu; the non-executive director of the Company is Mr. Jin Zhiqiang; and the independent non-executive directors of the Company are Mr. Ng Yuk Keung, Mr. Wang Wenfu and Mr. Gao Zhikai.*

\* *For identification purposes only*