河南金馬能源股份有限公司

HENAN JINMA ENERGY COMPANY LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6885)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

CONTINUING CONNECTED TRANSACTIONS

Reference is made to the prospectus of the Company dated 26 September 2017 and the announcement of the Company dated 21 March 2018 in relation to, among other things, the continuing connected transactions contemplated under the Maanshan Steel Framework Agreement, the Jiangxi PXSteel Framework Agreement and the Yugang Framework Agreements, pursuant to which the Existing Annual Caps for such continuing connected transactions were set.

The Company proposes to renew the abovementioned continuing connected transactions and apply for new annual caps. For such purposes, the Board announces that, on 23 August 2019, the Group has entered into the New Framework Agreements and the Supplemental Agreements in respect of the Continuing Connected Transactions.

LISTING RULES IMPLICATIONS

Maanshan Steel is a substantial shareholder of the Company holding approximately 26.89% of the total issued shares of the Company, and therefore a connected person of the Company under the Listing Rules. Jiangxi PXSteel is a substantial shareholder of the Company holding approximately 10.09% of the total issued shares of the Company, and therefore a connected person of the Company under the Listing Rules. As the highest percentage ratio calculated in accordance with the Listing Rules in respect of the New Annual Caps concerning each of the Maanshan Steel Continuing Connected Transactions and the Jiangxi PXSteel Continuing Connected Transactions exceeds the 5% Threshold, such Continuing Connected Transactions constitute Non-exempt Continuing Connected Transactions of the Company and their respective New Framework Agreements and proposed New Annual Caps will be subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements.

Yugang Coking is held as to approximately 88.03% by Golden Fair Chemicals (Holdings) Limited which is in turn held as to 65.92% by Mr. Wang Xuezhong. Mr. Wang is a controlling shareholder of Henan Jinsu Shiye Co., Ltd., which is in turn a substantial shareholder of Jinning Energy, a member of Group. As such, Yugang Coking is a connected person of the Company. Since (i) Yugang Coking is regarded as a connected person of the Company at subsidiary level; (ii) the Board (including all the independent non-executive Directors) has approved the Yugang Continuing Connected Transactions; and (iii) the independent non-executive Directors have confirmed that the terms of the Yugang Continuing Connected Transactions and the relevant New Annual Caps are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of the Group's business, and in the interests of the Company and its shareholders as a whole, the Yugang Continuing Connected Transactions constitute Exempt Continuing Connected Transactions and are subject to the reporting and announcement requirements but are exempt from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

A circular containing, inter alia, (i) further details of the Non-exempt Continuing Connected Transactions; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions, will be despatched to the Shareholders in accordance with the requirements of Rule 14A.46(1) (as modified by Rule 19A.39A) of the Listing Rules on or before 3 October 2019.

I. INTRODUCTION

Reference is made to the prospectus of the Company dated 26 September 2017 and the announcement of the Company dated 21 March 2018 in relation to, among other things, the continuing connected transactions contemplated under the Maanshan Steel Framework Agreement, the Jiangxi PXSteel Framework Agreement and the Yugang Framework Agreements, pursuant to which the Existing Annual Caps for such continuing connected transactions were set.

The Company proposes to renew the abovementioned continuing connected transactions and apply for new annual caps. For such purposes, the Board announces that, on 23 August 2019, the Group has entered into the New Framework Agreements and Supplemental Agreements. The New Framework Agreements and the relevant New Annual Caps in respect of the Non-exempt Continuing Connected Transactions are conditional upon the approval of the Independent Shareholders at the EGM.

A summary of the Continuing Connected Transactions and the New Annual Caps (with their bases of determination) is set out in the section headed "II. Continuing Connected Transactions" in this announcement.

II. CONTINUING CONNECTED TRANSACTIONS

Summary of the Continuing Connected Transactions and the New Annual Caps

A. Maanshan Steel Continuing Connected Transactions

Connected person	Connected person's relationship with the Group	Nature of the connected transaction with the Group
Maanshan Steel	Holder of approximately 26.89% of the total issued shares of the Company	Sale of coke by the Group to the Maanshan Steel Group

B. Jiangxi PXSteel Continuing Connected Transactions

Connected person	Connected person's relationship with the Group	Nature of the connected transaction with the Group
Jiangxi PXsteel	Holder of approximately 10.09% of the total issued shares of the Company	Sale of coke by the Group to the Jiangxi PXSteel Group

C. Yugang Continuing Connected Transactions

Connected person	Connected person's relationship with the Group	Nature of the connected transaction with the Group
Yugang Coking	Held as to approximately 88.03% by Golden Fair Chemicals (Holdings) Limited which is in turn held as to 65.92% by Mr. Wang Xuezhong. Mr. Wang is a controlling shareholder of 河南省金塑實業有限公司 (Henan Jinsu Shiye Co., Ltd.*), which is in turn a substantial shareholder of Jinning Energy, a member of Group	(a) Sale of coal by Shanghai Jinma to Yugang Coking (b) Purchase of coal tar by the Group from Yugang Coking (c) Purchase of crude benzene by the Group from Yugang Coking (d) Purchase of coal gas by the Group from Yugang Coking

A summary of the New Annual Caps for each of the relevant Continuing Connected Transactions is set out below:

A. Maanshan Steel Continuing Connected Transactions

Connected person and details of the relevant Continuing Connected Transactions	New Annual Caps For the year ending 31 December 2020 *RMB'000*	For the year ending 31 December 2021 *RMB'000*	For the year ending 31 December 2022 *RMB'000*
Maanshan Steel (and its associates)			
Sale of coke by the Group to the Maanshan Steel Group	1,170,000#	1,170,000#	1,170,000#

B. Jiangxi PXSteel Continuing Connected Transactions

Connected person and details of the relevant Continuing Connected Transactions	New Annual Caps For the year ending 31 December 2020 *RMB'000*	For the year ending 31 December 2021 *RMB'000*	For the year ending 31 December 2022 *RMB'000*
Jiangxi PXSteel (and its associates)			
Sale of coke by the Group to the Jiangxi PXsteel Group	1,755,000#	1,755,000#	1,755,000#

C. Yugang Continuing Connected Transactions

Connected person and details of the relevant Continuing Connected Transactions	New Annual Caps For the year ending 31 December 2020 *RMB'000*	For the year ending 31 December 2021 *RMB'000*	For the year ending 31 December 2022 *RMB'000*
Yugang Coking			
(a) Sale of coal by Shanghai Jinma to Yugang Coking	150,000*	150,000*	150,000*
(b) Purchase of coal tar by the Group from Yugang Coking	70,800*	70,800*	70,800*
(c) Purchase of crude benzene by the Group from Yugang Coking	30,000*	30,000*	30,000*
(d) Purchase of coal gas by the Group from Yugang Coking	32,000*	32,000*	32,000*

Notes:

1. Where a New Annual Cap is marked "*", that means the New Annual Caps for the relevant Continuing Connected Transactions are exempt from the approval by the Independent Shareholders under the Listing Rules pursuant to Rule 14A.101 of the Listing Rules.

2. Where a New Annual Cap is marked "#", that means the proposed New Annual Caps for the relevant Continuing Connected Transaction exceed the 5% Threshold and are subject to the approval by the Independent Shareholders.

Details of the Continuing Connected Transactions and the relevant New Framework Agreements and/or Supplemental Agreements

A. Maanshan Steel Continuing Connected Transactions

Sale of coke by the Group to the Maanshan Steel Group

Agreement: New Maanshan Steel Framework Agreement

Date: 23 August 2019

Parties: (1) The Company

(2) Maanshan Steel

Term: 1 January 2020 to 31 December 2022

Pursuant to the New Maanshan Steel Framework Agreement, conditional upon obtaining the Independent Shareholders' approval pursuant to the Listing Rules, the term of the Maanshan Steel Framework Agreement shall be extended for three years and the New Annual Caps have been determined as further described below.

Principal terms of the transactions contemplated under the New Maanshan Steel Framework Agreement

Pursuant to the New Maanshan Steel Framework Agreement, the Group shall sell coke to the Maanshan Steel Group during the term of 1 January 2020 to 31 December 2022. The Maanshan Steel Group shall from time to time place purchase orders with the Group, specifying the amount of coke required by the Maanshan Steel Group, the requisite product specifications, as well as the expected delivery schedule; and following the Group's acceptance of the orders, the Group shall sell the coke at a prevailing market price (as determined based on the pricing policy as further disclosed below) and complete the delivery of the products according to the agreed delivery schedule. The costs of transportation of coke from the Group's production facilities to the depot designated by the Maanshan Steel Group shall be borne by the Maanshan Steel Group. The payment to the Group in respect of the sale of coke shall be settled by the Maanshan Steel Group on a monthly basis.

The price of the coke shall be determined according to the following mechanism:

(i) the Group's sales department will regularly monitor the movements and trend of the futures price of coke and determine the prevailing price range of coke on a weekly basis after considering (a) the prices and market inventory levels of coke published by specialized online information platforms (including MySteel and Steelhome) as well as (b) the factory gate prices recommended by the China Coking Industry Association together with other associations in principal coke production regions;

(ii) based on the prevailing price range of coke, the Group will convene weekly internal price analysis meetings to determine the factory gate price of its coke after considering the above factors;

(iii) based on the abovementioned factory gate price, the Group will then determine, at the internal price analysis meeting lead by the CEO of the Group with the participation of the deputy general manager, the chief financial officer and other senior management of the Group, the final sale price after arm's length negotiations with the Maanshan Steel Group having taken into account the prevailing market conditions and the specific demands for coke in the regions where the relevant Maanshan Steel's steel mills are located; and

(iv) regarding coke with special specifications requested by its customers (including the Maanshan Steel Group), the Group will also take into account the relevant product specifications, the extra production costs as well as the historical prices of coke with similar specifications when determining its factory gate price.

Basis of setting the New Annual Caps

The table below summarises the Existing Annual Caps for the three years ending 31 December 2019 for the transactions contemplated under the Maanshan Steel Framework Agreement:

	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
Existing Annual Caps	1,425,000	1,472,500	1,491,500

The table below summarises the actual transaction amounts involved for the two years ended 31 December 2018 and the six months ended 30 June 2019 for the transactions contemplated under the Maanshan Steel Framework Agreement:

	Year ended 31 December		**Six months ended 30 June**
	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(unaudited)*
Actual transaction amount	1,218,363	1,030,544	344,679

For each of the years ended 31 December 2017 and 2018 and the six months ended 30 June 2019, the Group supplied approximately 767,000 tons, 559,000 tons and 192,000 tons of coke, respectively, to Maanshan Steel and its subsidiaries. Maanshan Steel has been purchasing coke from the Group as a raw material for its manufacturing of iron and steel. With the expected continual increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, it is estimated that the demand for coke (as a raw material for the production of iron and steel) will remain stable. Further, taking into account the Group's business strategy in diversifying its customer base, based on the Maanshan Steel Group's historical demand for the Group's coke, the Board estimates that the Group will sell up to 600,000 tons of coke to the Maanshan Steel Group for each of the three years ending 31 December 2020, 2021 and 2022.

The average price of coke (net of VAT) sold to Maanshan Steel and its subsidiaries for the year ended 31 December 2018 was approximately RMB1,840 per ton and the average price of coke (net of VAT) for the six months ended 30 June 2019 was approximately RMB1,790 per ton. Following a recent review by the Group's sales department on the future trend of the market price of coke, the Board estimated that, whilst facing uncertainties in the global economic situation, with the recovery of the iron and steel industry coupled with an increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, the average price of coke (net of VAT) sold to the Maanshan Steel Group would either fluctuate at the current level or continue to rise mildly within the range of 5% to 10%, reaching in average approximately RMB1,950 per ton for each of the years ending 31 December 2020, 2021 and 2022.

Based on (i) the historical transaction amounts, (ii) the estimated supply of coke of up to 600,000 tons from the Group to the Maanshan Steel Group for each of the years ending 31 December 2020, 2021 and 2022, and (iii) the assumption that the average market price (net of VAT) of coke will increase to approximately RMB1,950 per ton for each of the years ending 31 December 2020, 2021 and 2022, the Board proposed to set the following as the New Annual Caps in respect of the transactions contemplated under the New Maanshan Steel Framework Agreement for each of the three years ending 31 December 2022:

	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
New Annual Caps	1,170,000	1,170,000	1,170,000

As the highest percentage ratio calculated in accordance with the Listing Rules in respect of the New Annual Caps concerning the Maanshan Steel Continuing Connected Transactions exceeds the 5% Threshold, such Continuing Connected Transactions constitute Non-exempt Continuing Connected Transactions of the Company and the New Maanshan Steel Framework Agreement and the relevant proposed New Annual Caps will be subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements.

B. Jiangxi PXSteel Continuing Connected Transactions

Sale of coke by the Group to the Jiangxi PXSteel Group

Agreement: New Jiangxi PXSteel Framework Agreement

Date: 23 August 2019

Parties: (1) The Company

(2) Jiangxi PXSteel

Term: 1 January 2020 to 31 December 2022

Pursuant to the New Jiangxi PXSteel Framework Agreement, conditional upon obtaining the Independent Shareholders' approval pursuant to the Listing Rules, the term of the Jiangxi PXSteel Framework Agreement shall be extended for three years and the New Annual Caps have been determined as further described below.

Principal terms of the transactions contemplated under the New Jiangxi PXSteel Framework Agreement

Pursuant to the New Jiangxi PXSteel Framework Agreement, the Group shall sell coke to the Jiangxi PXSteel Group during the term of 1 January 2020 to 31 December 2022. The Jiangxi PXSteel Group shall from time to time place purchase orders with the Group, specifying the amount of coke required by the Jiangxi PXSteel Group, the requisite product specifications, as well as the expected delivery schedule; and following the Group's acceptance of the orders, the Group shall sell the coke at a prevailing market price (as determined based on the pricing policy as further disclosed below) and complete the delivery of the products according to the agreed delivery schedule. The costs of transportation of coke from the Group's production facilities to the depot designated by the Jiangxi PXSteel Group shall be borne by the Jiangxi PXSteel Group. The payment to the Group in respect of the sale of coke shall be settled by the Jiangxi PXSteel Group on a monthly basis.

The price of the coke shall be determined according to the following mechanism:

(i) the Group's sales department will regularly monitor the movements and trend of the futures price of coke and determine the prevailing price range of coke on a weekly basis after considering (a) the prices and market inventory levels of coke published by specialized online information platforms (including MySteel and Steelhome) as well as (b) the factory gate prices recommended by the China Coking Industry Association together with other associations in principal coke production regions;

(ii) based on the prevailing price range of coke, the Group will convene weekly internal price analysis meetings to determine the factory gate price of its coke after considering the above factors;

(iii) based on the abovementioned factory gate price, the Group will then determine, at the internal price analysis meeting lead by the CEO of the Group with the participation of the deputy general manager, the chief financial officer and other senior management of the Group, the final sale price after arm's length negotiations with the Jiangxi PXSteel Group having taken into account the prevailing market conditions and the specific demands for coke in the regions where the relevant Jiangxi PXSteel's steel mills are located; and

(iv) regarding coke with special specifications requested by its customers (including the Jiangxi PXSteel Group), the Group will also take into account the relevant product specifications, the extra production costs as well as the historical prices of coke with similar specifications when determining its factory gate price.

Basis of setting the New Annual Caps

The table below summarises the Existing Annual Caps for the three years ending 31 December 2019 for the transactions contemplated under the Jiangxi PXSteel Framework Agreement:

	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
Existing Annual Caps	900,000	1,890,000	1,890,000

The table below summarises the actual transaction amounts involved for the two years ended 31 December 2018 and the six months ended 30 June 2019 for the transactions contemplated under the Jiangxi PXSteel Framework Agreement:

	Year ended 31 December		**Six months ended 30 June**
	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(unaudited)*
Actual transaction amount	897,488	1,420,413	648,683

For each of the years ended 31 December 2017 and 2018 and the six months ended 30 June 2019, the Group supplied approximately 555,000 tons, 725,000 tons and 350,000 tons of coke, respectively, to Jiangxi PXSteel and its subsidiaries. Jiangxi PXSteel has been purchasing coke from the Group as a raw material for its manufacturing of iron and steel. With the expected continual increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, it is estimated that the demand for the Group's coke (as a raw material for the production of iron and steel) will remain stable. Hence, based on Jiangxi PXSteel Group's historical demand for the Group's coke, the Board estimates that the Group will sell up to 900,000 tons of coke to Jiangxi PXSteel Group for each of the three years ending 31 December 2020, 2021 and 2022.

The average price of coke (net of VAT) sold to Jiangxi PXSteel and its subsidiaries for the year ended 31 December 2018 was approximately RMB1,960 per ton and the average price of coke (net of VAT) for the six months ended 30 June 2019 was approximately RMB1,850 per ton. Following a recent review by the Group's sales department on the future trend of the market price of coke, the Board estimated that, whilst facing uncertainties in the global economic situation, with the recovery of the iron and steel industry coupled with an increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, the average price of coke (net of VAT) sold to the Jiangxi PXSteel Group would either fluctuate at the current level or continue to rise mildly within the range of 5% to 10%, reaching in average approximately RMB1,950 per ton for each of the years ending 31 December 2020, 2021 and 2022.

Based on (i) the historical transaction amounts, (ii) the estimated supply of coke to up to 900,000 tons from the Group to Jiangxi PXSteel Group for each of the years ending 31 December 2020, 2021 and 2022, and (iii) the assumption that the average market price (net of VAT) of coke will increase to approximately RMB1,950 per ton for each of the years ending 31 December 2020, 2021 and 2022, the Board proposed to set the following as the New Annual Caps in respect of the transactions contemplated under the New Jiangxi PXSteel Framework Agreement for each of the three years ending 31 December 2022:

	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
New Annual Caps	1,755,000	1,755,000	1,755,000

As the highest percentage ratio calculated in accordance with the Listing Rules in respect of the New Annual Caps concerning the Jiangxi PXSteel Continuing Connected Transactions exceeds the 5% Threshold, such Continuing Connected Transactions constitute Non-exempt Continuing Connected Transactions of the Company and the New Jiangxi PXSteel Framework Agreement and the relevant proposed New Annual Caps will be subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements.

C. *Yugang Continuing Connected Transactions*

(a) *Sale of coal by Shanghai Jinma to Yugang Coking*

Agreement: Supplemental Agreement to the Yugang Sale Framework Agreement

Date: 23 August 2019

Parties: (1) Shanghai Jinma

(2) Yugang Coking

Term: 1 January 2020 to 31 December 2022

Pursuant to the Supplemental Agreement, the term of the Yugang Sale Framework Agreement has been extended for three years and the New Annual Caps have been determined as further described below.

Principal terms of the transactions contemplated under the Yugang Sale Framework Agreement (as supplemented by the Supplemental Agreement)

Pursuant to the Yugang Sale Framework Agreement (as supplemented by the Supplemental Agreement), Shanghai Jinma shall sell coal to Yugang Coking during the term of 1 January 2020 to 31 December 2022. Yugang Coking shall from time to time place purchase orders with Shanghai Jinma, specifying the amount of coal required by Yugang Coking, the requisite product specifications, as well as the expected delivery schedule; and following the acceptance of the orders by Shanghai Jinma, Shanghai Jinma shall sell the coal at a prevailing market price (as determined based on the pricing policy as further disclosed below) and complete the delivery of the products according to the agreed delivery schedule. The payment to Shanghai Jinma in respect of the sale of coal shall be settled by Yugang Coking on a monthly basis.

The price of the coal shall be determined according to the following mechanism: the Group's sales department will regularly monitor the movements and trends of the futures price of coal and determine the prevailing price range of coal after considering the prices and market inventory levels of coal published by specialized online information platform. The Group will also take into account the relevant product specifications and costs of purchasing the coal, and determine the final sale price after arm's length negotiations with Yugang Coking.

Basis of setting the New Annual Caps

The table below summarises the Existing Annual Caps for the three years ending 31 December 2019 for the transactions contemplated under the Yugang Sale Framework Agreement:

	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
Existing Annual Caps	120,000	120,000	120,000

The table below summarises the actual transaction amounts involved for the two years ended 31 December 2018 and the six months ended 30 June 2019 for the transactions contemplated under the Yugang Sale Framework Agreement:

	Year ended 31 December		**Six months ended 30 June**
	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(unaudited)*
Actual transaction amount	63,535	77,810	52,149

For each of the years ended 31 December 2017 and 2018 and the six months ended 30 June 2019, Shanghai Jinma supplied approximately 67,300 tons, 70,000 tons and 43,600 tons of coal, respectively, to Yugang Coking. Yugang Coking, as a coking enterprise, has been purchasing coal from Shanghai Jinma as a raw material, whilst Shanghai Jinma is principally engaged in the trading of coal and coal equipment. With the expected continual increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, it is estimated that the operations of Yugang Coking, and in turn its demand for coal, will remain stable. Hence, based on Yugang Coking's historical demand for the Group's coal, the Board estimates that Shanghai Jinma will sell up to 120,000 tons of coal to Yugang Coking for each of the three years ending 31 December 2020, 2021 and 2022.

The average price of coal (net of VAT) sold to Yugang Coking for the year ended 31 December 2018 was approximately RMB1,110 per ton and the average price of coal (net of VAT) for the six months ended 30 June 2019 was approximately RMB1,200 per ton. Following a recent review by the Group's sales department on the future trend of the market price of coal, the Board estimated that, whilst facing uncertainties in the global economic situation, with the recovery of the iron and steel industry coupled with an increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, the average price of coal (net of VAT) would either fluctuate at the current level or continue to rise mildly by approximately 5%, reaching in average approximately RMB1,250 per ton for each of the years ending 31 December 2020, 2021 and 2022.

Based on (i) the historical transaction amounts, (ii) the estimated supply of coal to up to 120,000 tons from Shanghai Jinma to Yugang Coking for each of the years ending 31 December 2020, 2021 and 2022, and (iii) the assumption that the average market price (net of VAT) of coal will increase to approximately RMB1,250 per ton for each of the years ending 31 December 2020, 2021 and 2022, the Board proposed to set the following as the New Annual Caps in respect of the transactions contemplated under the Yugang Sale Framework Agreement (as supplemented by the Supplemental Agreement) for each of the three years ending 31 December 2022:

	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
New Annual Caps	150,000	150,000	150,000

Since (i) Yugang Coking is regarded as a connected person of the Company at subsidiary level; (ii) the Board (including all the independent non-executive Directors) has approved the Yugang Continuing Connected Transactions set out in this sub-section (a); and (iii) the independent non-executive Directors have confirmed that the terms of the Yugang Continuing Connected Transactions set out in this sub-section (a) and the relevant New Annual Caps are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of the Group's business, and in the interests of the Company and its shareholders as a whole, the Yugang Continuing Connected Transactions set out in this sub-section (a) constitute Exempt Continuing Connected Transactions and are subject to the reporting and announcement requirements but are exempt from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

(b) Purchase of coal tar by the Group from Yugang Coking

Agreement:	Supplemental Agreement to the Coal Tar Purchase Framework Agreement
Date:	23 August 2019
Parties:	(1) Bohigh Chemical
	(2) The Company
	(3) Yugang Coking
Term:	1 January 2020 to 31 December 2022

Pursuant to the Supplemental Agreement, the term of the Coal Tar Purchase Framework Agreement has been extended for three years and the New Annual Caps have been determined as further described below.

Principal terms of the transactions contemplated under the Coal Tar Purchase Framework Agreement (as supplemented by the Supplemental Agreement)

Pursuant to the Coal Tar Purchase Framework Agreement (as supplemented by the Supplemental Agreement), the Group shall purchase coal tar from Yugang Coking during the term of 1 January 2020 to 31 December 2022.

Bohigh Chemical (and/or other Group Companies) shall from time to time place purchase orders with Yugang Coking specifying the amount of coal tar required by the Group, the requisite product specifications, as well as the expected delivery schedule. Yugang Coking shall sell the coal tar at a prevailing market price (as determined based on the pricing policy as further disclosed below) and complete the delivery of the products according to the agreed delivery schedule. Bohigh Chemical (and/or other Group Companies) shall bear the costs of transportation of coal tar from the production facilities of Yugang Coking to the depot designated by Bohigh Chemical (and/or other Group Companies). The payment to Yugang Coking in respect of the purchase of coal tar will be settled by Bohigh Chemical (and/or other Group Companies) on a monthly basis.

The price of the coal tar shall be determined according to the following mechanism: the Group's supplies department will regularly monitor the movements and trends of the futures price of coal tar and determine the prevailing price range of coal tar after comparing quotes obtained from third parties. Based on such prevailing price range and the purchase price of coal tar from the Group's other independent suppliers, and having taking into account the historical average delivered duty paid price of Yugang Coking's coal tar and the relevant transportation fees, the Group shall agree with Yugang Coking on the final price after arm's length negotiations with Yugang Coking.

Basis of setting the New Annual Caps

The table below summarises the Existing Annual Caps for the three years ending 31 December 2019 for the transactions contemplated under the Coal Tar Purchase Framework Agreement:

	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
Existing Annual Caps	44,100	46,410	48,720

The table below summarises the actual transaction amounts involved for the two years ended 31 December 2018 and the six months ended 30 June 2019 for the transactions contemplated under the Coal Tar Purchase Framework Agreement:

	Year ended 31 December		**Six months ended 30 June**
	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(unaudited)*
Actual transaction amount	41,860	45,782	28,165

For each of the years ended 31 December 2017 and 2018 and the six months ended 30 June 2019, the Group purchased approximately 17,100 tons, 15,500 tons and 9,600 tons of coal tar, respectively, from Yugang Coking. Bohigh Chemical, being principally engaged in the processing of coal tar and the production and sale of coal tar based chemicals, has demands for coal tar as a raw material for its production. Based on Bohigh Chemical's historical demand for coal tar, Yugang Coking's historical production capacity for coal tar and on the assumption that such demand for and Yugang Coking's supply of coal tar would remain stable, the Board estimates that the Group would purchase up to 22,000 tons of coal tar from Yugang Coking for each of the three years ending 31 December 2020, 2021 and 2022.

The average price of coal tar (net of VAT) purchased by the Group from Yugang Coking for the year ended 31 December 2018 was approximately RMB2,950 per ton and the average price of coal tar (net of VAT) for the six months ended 30 June 2019 was approximately RMB2,950 per ton. Following a recent review by the Group's sales department on the future trend of the market price of coal tar, the Board estimated that, whilst facing uncertainties in the global economic situation, due to an expected continual shortage of supply in coal tar in the market and with the recovery of the iron and steel industry coupled with an increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, resulting in a constant demand within the relevant industries, the average price of coal tar (net of VAT) would either fluctuate at the current level or continue to rise mildly by around 10%, reaching in average approximately RMB3,220 per ton for each of the years ending 31 December 2020, 2021 and 2022.

Based on (i) the historical transaction amounts, (ii) the estimated purchase of coal tar to up to 22,000 tons by the Group from Yugang Coking for each of the years ending 31 December 2020, 2021 and 2022, and (iii) the assumption that the average market price (net of VAT) of coal tar will increase to approximately RMB3,220 per ton for each of the years ending 31 December 2020, 2021 and 2022, the Board proposed to set the following as the New Annual Caps in respect of the transactions contemplated under the Coal Tar Purchase Framework Agreement (as supplemented by the Supplemental Agreement) for each of the three years ending 31 December 2022:

	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
New Annual Caps	70,800	70,800	70,800

Since (i) Yugang Coking is regarded as a connected person of the Company at subsidiary level; (ii) the Board (including all the independent non-executive Directors) has approved the Yugang Continuing Connected Transactions set out in this sub-section (b); and (iii) the independent non-executive Directors have confirmed that the terms of the Yugang Continuing Connected Transactions set out in this sub-section (b) and the relevant New Annual Caps are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of the Group's business, and in the interests of the Company and its shareholders as a whole, the Yugang Continuing Connected Transactions set out in this sub-section (b) constitute Exempt Continuing Connected Transactions and are subject to the reporting and announcement requirements but are exempt from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

(c) Purchase of crude benzene by the Group from Yugang Coking

Agreement:	Supplemental Agreement to the Crude Benzene Purchase Framework Agreement
Date:	23 August 2019
Parties:	(1) Jinyuan Chemicals
	(2) The Company
	(3) Yugang Coking
Term:	1 January 2020 to 31 December 2022

Pursuant to the Supplemental Agreement, the term of the Crude Benzene Purchase Framework Agreement has been extended for three years and the New Annual Caps have been determined as further described below.

Principal terms of the transactions contemplated under the Crude Benzene Purchase Framework Agreement (as supplemented by the Supplemental Agreement)

Pursuant to the Crude Benzene Purchase Framework Agreement (as supplemented by the Supplemental Agreement), the Group shall purchase crude benzene from Yugang Coking during the term of 1 January 2020 to 31 December 2022.

Jinyuan Chemicals (and/or other Group Companies) shall from time to time place purchase orders with Yugang Coking specifying the amount of crude benzene required by the Group, the requisite product specifications, as well as the expected delivery schedule. Yugang Coking shall sell the crude benzene at a prevailing market price (as determined based on the pricing policy as further disclosed below) and complete the delivery of the products according to the agreed delivery schedule. Jinyuan Chemicals (and/or other Group Companies) shall bear the costs of transportation of crude benzene from the production facilities of Yugang Coking to the depot designated by Jinyuan Chemicals (and/or other Group Companies). The payment to Yugang Coking in respect of the purchase of crude benzene will be settled by Jinyuan Chemicals (and/or other Group Companies) on a monthly basis.

The price of the crude benzene shall be determined according to the following mechanism: the Group's supplies department will regularly monitor the movements and trends of the futures price of crude benzene and determine the prevailing price range of crude benzene after comparing quotes obtained from third parties. Based on such prevailing price range and the purchase price of crude benzene from the Group's other independent suppliers, and having taking into account the historical average delivered duty paid price of Yugang Coking's crude benzene and the relevant transportation fees, the Group shall agree with Yugang Coking on the final price after arm's length negotiations with Yugang Coking.

Basis of setting the New Annual Caps

The table below summarises the Existing Annual Caps for the three years ending 31 December 2019 for the transactions contemplated under the Crude Benzene Purchase Framework Agreement:

	2017 *RMB'000*	2018 *RMB'000*	2019 *RMB'000*
Existing Annual Caps	32,900	34,580	36,330

The table below summarises the actual transaction amounts involved for the two years ended 31 December 2018 and the six months ended 30 June 2019 for the transactions contemplated under the Crude Benzene Purchase Framework Agreement:

	Year ended 31 December		Six months ended 30 June
	2017 *RMB'000* *(audited)*	2018 *RMB'000* *(audited)*	2019 *RMB'000* *(unaudited)*
Actual transaction amount	32,821	33,618	10,977

For each of the years ended 31 December 2017 and 2018 and the six months ended 30 June 2019, the Group purchased approximately 7,240 tons, 7,690 tons and 3,530 tons of crude benzene, respectively, from Yugang Coking. Jinyuan Chemicals, being principally engaged in the processing of crude benzene and the production and sale of crude benzene based chemicals, has demands for crude benzene as a raw material for its production. Based on Jinyuan Chemicals' historical demand for crude benzene, Yugang Coking's historical production capacity for crude benzene and on the assumption that such demand for and Yugang Coking's supply of crude benzene would remain stable, the Board estimates that the Group would purchase up to 7,500 tons of crude benzene from Yugang Coking for each of the three years ending 31 December 2020, 2021 and 2022.

The average price of crude benzene (net of VAT) purchased by the Group from Yugang Coking for the year ended 31 December 2018 was approximately RMB4,370 per ton and the average price of crude benzene (net of VAT) for the six months ended 30 June 2019 was approximately RMB3,111 per ton. Following a recent review by the Group's sales department on the future trend of the market price of crude benzene, the Board estimated that, whilst facing uncertainties in the global economic situation and a drop of recent average price of crude benzene because of demand shocks, due to an expected continual shortage of supply in crude benzene in the market and with the recovery of the iron and steel industry coupled with an increase in investments in infrastructure as encouraged by the implementation of the Belt and Road Initiative, resulting in a constant demand within the relevant industries, the average price of crude benzene (net of VAT) would either fluctuate at the current level or continue to rise mildly by around 10%, reaching in average approximately RMB4,000 per ton for each of the years ending 31 December 2020, 2021 and 2022.

Based on (i) the historical transaction amounts, (ii) the estimated purchase of crude benzene to up to 7,500 tons by the Group from Yugang Coking for each of the years ending 31 December 2020, 2021 and 2022, and (iii) the assumption that the average market price (net of VAT) of crude benzene will increase to approximately RMB4,000 per ton for each of the years ending 31 December 2020, 2021 and 2022, the Board proposed to set the following as the New Annual Caps in respect of the transactions contemplated under the Crude Benzene Purchase Framework Agreement (as supplemented by the Supplemental Agreement) for each of the three years ending 31 December 2022:

	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
New Annual Caps	30,000	30,000	30,000

Since (i) Yugang Coking is regarded as a connected person of the Company at subsidiary level; (ii) the Board (including all the independent non-executive Directors) has approved the Yugang Continuing Connected Transactions set out in this sub-section (c); and (iii) the independent non-executive Directors have confirmed that the terms of the Yugang Continuing Connected Transactions set out in this sub-section (c) and the relevant New Annual Caps are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of the Group's business, and in the interests of the Company and its shareholders as a whole, the Yugang Continuing Connected Transactions set out in this sub-section (c) constitute Exempt Continuing Connected Transactions and are subject to the reporting and announcement requirements but are exempt from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

(d) Purchase of coal gas by the Group from Yugang Coking

Agreement: Supplemental Agreement to the Coal Gas Purchase Framework Agreement

Date: 23 August 2019

Parties: (1) Jinning Energy

(2) The Company

(3) Yugang Coking

Term: 1 January 2020 to 31 December 2022

Pursuant to the Supplemental Agreement, the term of the Coal Gas Purchase Framework Agreement has been extended for three years and the New Annual Caps have been determined as further described below.

Principal terms of the transactions contemplated under the Coal Gas Purchase Framework Agreement (as supplemented by the Supplemental Agreement)

Pursuant to the Coal Gas Purchase Framework Agreement (as supplemented by the Supplemental Agreement), the Group shall purchase coal gas from Yugang Coking during the term of 1 January 2020 to 31 December 2022.

Jinning Energy (and/or other Group Companies) shall from time to time place purchase orders with Yugang Coking specifying the amount of coal gas required by the Group, the requisite product specifications, as well as the expected delivery schedule. Yugang Coking shall sell the coal gas at a prevailing market price (as determined based on the pricing policy as further disclosed below) and complete the delivery of the products according to the agreed delivery schedule. Yugang Coking shall bear the costs of transportation of coal gas from the production facilities of Yugang Coking to the destination designated by Jinning Energy (and/or other Group Companies). The payment to Yugang Coking in respect of the purchase of coal gas will be settled by Jinning Energy (and/or other Group Companies) on a monthly basis.

The price of the coal gas shall be determined according to the following mechanism: the Group's supplies department will determine the prevailing price range of coal gas after taking into account of the reference price of coal gas as announced by the Jiyuan Municipal Development and Reform Commission from time to time. Based on such prevailing price range, the Group will agree with Yugang Coking on the final price after arm's length negotiations with Yugang Coking.

Basis of setting the New Annual Caps

The table below summarises the Existing Annual Caps for the three years ending 31 December 2019 for the transactions contemplated under the Coal Gas Purchase Framework Agreement:

	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
Existing Annual Caps	20,087	21,200	21,200

The table below summarises the actual transaction amounts involved for the two years ended 31 December 2018 and the six months ended 30 June 2019 for the transactions contemplated under the Coal Gas Purchase Framework Agreement:

	Year ended 31 December		**Six months ended 30 June**
	2017	**2018**	**2019**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	*(audited)*	*(unaudited)*
Actual transaction amount	11,851	21,039	10,812

For each of the years ended 31 December 2017 and 2018 and the six months ended 30 June 2019, the Group purchased approximately 22,147,000 m^3, 35,651,000 m^3 and 18,241,000 m^3 of coal gas, respectively, from Yugang Coking. Jinning Energy and its subsidiaries, being principally engaged in the storage and sale of coal gas, and production, distribution and sale of liquefied natural gas, has demands for coal gas as a raw material for its production of liquefied natural gas. Based on Jinning Energy's historical demand for coal gas and the Group's strategy to increase business operations in respect of the production of liquefied natural gas, as well as Yugang Coking's historical production capacity for coal gas and on the assumption that Yugang Coking's production of coal gas would remain stable, the Board estimates that the Group would purchase up to 50,000,000 m^3 of coal gas from Yugang Coking for each of the three years ending 31 December 2020, 2021 and 2022.

The average price of coal gas (net of VAT) purchased by the Group from Yugang Coking for the year ended 31 December 2018 was approximately RMB0.59 per m^3 and the average price of coal gas (net of VAT) for the six months ended 30 June 2019 was approximately RMB0.59 per m^3. The reference price of coal gas as announced by the Jiyuan Municipal Development and Reform Commission had increased from RMB0.53 per m^3 for the year ended 31 December 2017, to the current level of approximately RMB0.59 per m^3, representing an increase of approximately 10%. In view of such increasing trend in the price of coal gas, following a recent review by the Group's sales department on the future trend of the market price of coal gas, the Board estimate that the prevailing market price of coal gas is expected to increase slightly in the coming years and the average purchase price of coal gas from Yugang Coking would amount to approximately RMB0.64 per m^3 (net of VAT) during each of the years ending 31 December 2020, 2021 and 2022.

Based on (i) the historical transaction amounts, (ii) the estimated purchase of coal gas to up to 50,000,000 m^3 by the Group from Yugang Coking for each of the years ending 31 December 2020, 2021 and 2022, and (iii) the assumption that the average market price (net of VAT) of coal gas will increase to approximately RMB0.64 per m^3 for each of the years ending 31 December 2020, 2021 and 2022, the Board proposed to set the following as the New Annual Caps in respect of the transactions contemplated under the Coal Gas Purchase Framework Agreement (as supplemented by the Supplemental Agreement) for each of the three years ending 31 December 2022:

	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
New Annual Caps	32,000	32,000	32,000

Since (i) Yugang Coking is regarded as a connected person of the Company at subsidiary level; (ii) the Board (including all the independent non-executive Directors) has approved the Yugang Continuing Connected Transactions set out in this sub-section (d); and (iii) the independent non-executive Directors have confirmed that the terms of the Yugang Continuing Connected Transactions set out in this sub-section (d) and the relevant New Annual Caps are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of the Group's business, and in the interests of the Company and its shareholders as a whole, the Yugang Continuing Connected Transactions set out in this sub-section (d) constitute Exempt Continuing Connected Transactions and are subject to the reporting and announcement requirements but are exempt from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

III. REASONS FOR THE CONTINUING CONNECTED TRANSACTIONS

The Group is a coke producer and processor of coking by-products in the coking chemical industry in Henan province. The Group operates a vertically integrated business model along the coking chemical value chain from coke production to the processing of coking byproducts into refined chemicals and energy products.

Maanshan Steel, being one of the largest steel product manufacturers in the PRC, has been one of the main customers of the Group's coke for over a decade. Jiangxi PXSteel, principally engaged in the manufacturing and sale of iron and steel products which requires coke as a raw material, has also been one of the main customers of the Group's coke since 2004. As the Group has conducted the Maanshan Steel Continuing Connected Transactions and the Jiangxi PXSteel Continuing Connected Transactions for many years and has built up a long term strategic and solid business relationship with Maanshan Steel and Jiangxi PXSteel, the Directors (excluding the independent non-executive Directors in respect of the Non-exempt Continuing Connected Transaction) consider it beneficial to the Company to continue to conduct these Continuing Connected Transactions to enable in order to ensure and maximise operating efficiency and generate stable and predictable revenue.

Shanghai Jinma is principally engaged in the trading of coal, coal equipment and non-ferrous metals, and has been in cooperation with Yugang Coking in its coal trading business since 2013. Other than generating revenue, the trading of coal also allows the Group to enhance its cost advantage from bulk purchase of coal. Hence, the Directors (including the independent non-executive Directors) consider it to be beneficial to the Group to continue to conduct the Yugang Sale Continuing Connected Transactions in order to generate stable and predictable revenue for the Group.

Further, Yugang Coking, as a coke producer, has been providing the certain by-products of its coke production, namely, coal tar, crude benzene and coal gas, to Bohigh Chemical, Jinyuan Chemicals and Jinning Energy, respectively, since prior to the listing of the H shares of the Company. Through conducting the Yugang Purchase Continuing Connected Transactions, the Group will continue to obtain stable supply of the relevant raw materials for its onward processing business from a source which is convenient in terms of transportation and has all along been able to produce products with a stable quality at a prevailing market price. Hence, the Directors (including the independent non-executive Directors) consider it to be beneficial to the Group to continue to conduct the Yugang Purchase Continuing Connected Transactions.

The Directors (excluding the independent non-executive Directors in respect of the Non-exempt Continuing Connected Transactions, whose views will be given after taking into consideration the advice from the Independent Financial Adviser) are of the view that the New Framework Agreements and Supplemental Agreements have been negotiated on an arm's length basis, have been entered into by the Group in the ordinary and usual course of business and are on normal commercial terms or better, and that the terms of the Continuing Connected Transactions and the New Annual Caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

At the meeting of the Board on 23 August 2019 approving, inter alia, the New Framework Agreements, the Supplemental Agreements and the New Annual Caps, the following Directors have abstained from voting on the resolutions in respect of certain Continuing Connected Transactions as follows:

1. Mr. Hu Xiayu (a non-executive Director) and Qiu Quanshan (a non-executive Director) have abstained from voting on the resolution in respect of the New Maanshan Steel Framework Agreement and the proposed New Annual Caps for the reason of their respective positions in Maanshan Steel Group; and

2. Mr. Wang Zhiming (a non-executive Director) has abstained from voting on the resolution in respect of the New Jiangxi PXSteel Framework Agreement and the proposed New Annual Caps for the reason of his position in Jiangxi PXSteel Group.

Save as disclosed above, no other Directors have any material interest in the Continuing Connected Transactions.

IV. LISTING RULES IMPLICATIONS

Maanshan Steel is a substantial shareholder of the Company holding approximately 26.89% of the total issued shares of the Company, and therefore a connected person of the Company under the Listing Rules. Jiangxi PXSteel is a substantial shareholder of the Company holding approximately 10.09% of the total issued shares of the Company, and therefore a connected person of the Company under the Listing Rules. As the highest percentage ratio calculated in accordance with the Listing Rules in respect of the New Annual Caps concerning each of the Maanshan Steel Continuing Connected Transactions and the Jiangxi PXSteel Continuing Connected Transactions exceeds the 5% Threshold, such Continuing Connected Transactions constitute Non-exempt Continuing Connected Transactions of the Company and their respective New Framework Agreements and proposed New Annual Caps will be subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements.

Yugang Coking is held as to approximately 88.03% by Golden Fair Chemicals (Holdings) Limited which is in turn held as to 65.92% by Mr. Wang Xuezhong. Mr. Wang is a controlling shareholder of 河南省金塑實業有限公司 (Henan Jinsu Shiye Co., Ltd.*), which is in turn a substantial shareholder of Jinning Energy, a member of Group. As such, Yugang Coking is a connected person of the Company. Since (i) Yugang Coking is regarded as a connected person of the Company at subsidiary level; (ii) the Board (including all the independent non-executive Directors) has approved the Yugang Continuing Connected Transactions; and (iii) the independent non-executive Directors have confirmed that the terms of the Yugang Continuing Connected Transactions and the relevant New Annual Caps are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of the Group's business, and in the interests of the Company and its shareholders as a whole, the Yugang Continuing Connected Transactions constitute Exempt Continuing Connected Transactions and are subject to the reporting and announcement requirements but are exempt from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

In so far as the Company is aware, other than Maanshan Steel and Jiangxi PXSteel, no shareholder will be required to abstain from voting at the EGM in relation to the resolutions to be proposed in respect of the New Annual Caps and the New Framework Agreements in respect of the Non-exempt Continuing Connected Transactions.

V. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising the independent non-executive Directors (namely, Mr. Zheng Wenhua, Mr. Liu Yuhui and Mr. Wu Tak Lung) has been established to advise the Independent Shareholders on whether or not the New Framework Agreements, the transactions contemplated thereunder and the New Annual Caps in respect of the Non-exempt Continuing Connected Transactions are conducted in the ordinary and usual course of business and on normal commercial terms or better, fair and reasonable and in the interests of the Company and its shareholders as a whole. An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the New Framework Agreements, the transactions contemplated thereunder and the New Annual Caps in respect of the Non-exempt Continuing Connected Transactions.

VI. DESPATCH OF CIRCULAR

A circular containing, inter alia, (i) further details of the Non-exempt Continuing Connected Transactions; (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Non-exempt Continuing Connected Transactions, will be despatched to the Shareholders in accordance with the requirements of Rule 14A.46(1) (as modified by Rule 19A.39A) of the Listing Rules. As additional time is required to prepare the relevant information to be included in the circular, it is expected that the circular will be despatched to the Shareholders on or before 3 October 2019.

VII. DEFINITIONS

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

"5% Threshold"	the thresholds referred to in Rule 14A.76(2)(a) of the Listing Rules;
"associates"	has the meaning ascribed thereto under the Listing Rules;
"Board"	the board of Directors;
"Bohigh Chemical"	河南博海化工有限公司 (Henan Bohigh Chemical Co., Ltd.), a company established in the PRC and a wholly-owned subsidiary of the Company;
"Coal Gas Purchase Framework Agreement"	the framework agreement entered into between Jinning Energy, the Company and Yugang Coking on 18 September 2017 in respect of the purchase of coal gas by the Group from Yugang Coking;
"Coal Tar Purchase Framework Agreement"	the framework agreement entered into between Bohigh Chemical, the Company and Yugang Coking on 18 September 2017 in respect of the purchase of coal tar by the Group from Yugang Coking;
"Company"	河南金馬能源股份有限公司 (Henan Jinma Energy Company Limited), a company established in the PRC with limited liability;
"connected person"	has the meaning ascribed thereto under the Listing Rules;
"Continuing Connected Transaction(s)"	the continuing connected transaction(s) of the Group set out in the section headed "II. Continuing Connected Transactions" in this announcement, comprising the Maanshan Steel Continuing Connected Transactions, the Jiangxi PXSteel Continuing Connected Transactions and the Yugang Continuing Connected Transactions;

"Crude Benzene Purchase Framework Agreement"	the framework agreement entered into between Jinyuan Chemicals, the Company and Yugang Coking on 18 September 2017 in respect of the purchase of crude benzene by the Group from Yugang Coking;
"Director(s)"	the director(s) of the Company;
"EGM"	the extraordinary general meeting of the Company to be held to consider and, if thought fit, approve, inter alia, the New Framework Agreements and the New Annual Caps in respect of the Non-exempt Continuing Connected Transactions;
"Exempt Continuing Connected Transaction(s)"	being those Continuing Connected Transaction(s) exempt from circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules, and, accordingly, are not subject to the approval by the Independent Shareholders under the Listing Rules;
"Existing Annual Cap(s)"	the existing annual cap(s) for the Continuing Connected Transactions set out in the section headed "II. Continuing Connected Transactions" in this announcement;
"Group"	the Company and its subsidiaries;
"Independent Board Committee"	a committee of the Board comprising Mr. Zheng Wenhua, Mr. Liu Yuhui and Mr. Wu Tak Lung, being the independent non-executive Directors;
"Independent Financial Adviser"	the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the New Framework Agreements, the transactions contemplated thereunder and the New Annual Caps in respect of the Non-exempt Continuing Connected Transactions;
"Independent Shareholders"	Shareholders who are not required to abstain from voting at the EGM in respect of the Non-exempt Continuing Connected Transactions;
"Jiangxi PXSteel"	江西萍鋼實業股份有限公司 (Jiangxi PXSteel Industrial Co. Ltd.*), a joint stock company established in the PRC and a connected person of the Company;
"Jiangxi PXSteel Continuing Connected Transactions"	the continuing connected transactions set out in the section headed "II. Continuing Connected Transactions – B. Jiangxi PXSteel Continuing Connected Transactions" in this announcement;

"Jiangxi PXSteel Framework Agreement"	the framework agreement entered into between the Company and Jiangxi PXSteel on 18 September 2017 (as supplemented on 21 March 2018) in respect of the sale of coke by the Group to the Jiangxi PXSteel Group;
"Jiangxi PXSteel Group"	Jiangxi PXSteel and its associates;
"Jinning Energy"	濟源市金寧能源實業有限公司 (Jiyuan Jinning Energy Co., Ltd.*), a company established in the PRC and a subsidiary of the Company;
"Jinyuan Chemicals"	濟源市金源化工有限公司 (Jiyuan Jinyuan Chemicals Co., Ltd*), a company established in the PRC and a wholly-owned subsidiary of our Company;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Maanshan Steel"	Maanshan Iron & Steel Company Limited (馬鞍山鋼鐵股份有限公司), a company incorporated in the PRC whose A and H shares are listed on the Shanghai Stock Exchange and the Main Board of the Stock Exchange, respectively, and a connected person of the Company;
"Maanshan Steel Continuing Connected Transactions"	the continuing connected transactions set out in the section headed "II. Continuing Connected Transactions – A. Maanshan Steel Continuing Connected Transactions" in this announcement;
"Maanshan Steel Framework Agreement"	the framework agreement entered into between the Company and Maanshan Steel on 18 September 2017 in respect of the sale of coke by the Group to the Maanshan Steel Group;
"Maanshan Steel Group"	Maanshan Steel and its associates;
"New Annual Cap(s)"	the new annual cap(s) for the Continuing Connected Transactions set out in the section headed "II. Continuing Connected Transactions" in this announcement;
"New Framework Agreements"	the New Maanshan Steel Framework Agreement and the New Jiangxi PXSteel Framework Agreement
"New Jiangxi PXSteel Framework Agreement"	the new framework agreement entered into between the Company and Jiangxi PXSteel on 23 August 2019 in respect of the Jiangxi PXSteel Continuing Connected Transactions
"New Maanshan Steel Framework Agreement"	the new framework agreement entered into between the Company and Maanshan Steel on 23 August 2019 in respect of the Maanshan Steel Continuing Connected Transactions

"Non-exempt Continuing Connected Transaction(s)"	being those Continuing Connected Transaction(s) at the Company level, the proposed New Annual Caps for which exceed the 5% Threshold, and accordingly, they will be subject to the reporting requirements, the announcement requirement and the annual review requirements under the Listing Rules, and approval from the Independent Shareholders at the EGM will be required;
"PRC"	the People's Republic of China;
"RMB"	Renminbi, the lawful currency of the PRC;
"Shanghai Jinma"	上海金馬能源有限公司 (Shanghai Jinma Energy Sources Co., Ltd.*), a limited liability company incorporated in the PRC and a subsidiary of the Company;
"Shareholders"	the shareholders of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Supplemental Agreements"	the supplemental agreements relating to the Exempt Continuing Connected Transactions entered into between the Group and Yugang Coking as more particularly set out in the section headed "II. Continuing Connected Transactions – C. Yugang Continuing Connected Transactions" in this announcement, and "Supplemental Agreement" means any of them;
"Yugang Coking"	豫港（濟源）焦化集團有限公司 (Henan Hongkong (Jiyuan) Coking Group Co., Ltd.), a company established in the PRC and a subsidiary-level connected person of the Company;
"Yugang Continuing Connected Transactions"	the Yugang Purchase Continuing Connected Transactions and the Yugang Sale Continuing Connected Transactions;
"Yugang Framework Agreements"	the Yugang Sale Framework Agreement, the Coal Tar Purchase Framework Agreement, the Crude Benzene Purchase Framework Agreement and the Coal Gas Purchase Framework Agreement;
"Yugang Purchase Continuing Connected Transactions"	the continuing connected transactions set out in the sub-sections (b), (c) and (d) under the section headed "II. Continuing Connected Transactions – C. Yugang Continuing Connected Transactions" in this announcement;
"Yugang Sale Continuing Connected Transactions"	the continuing connected transactions set out in the sub-section (a) under the section headed "II. Continuing Connected Transactions – C. Yugang Continuing Connected Transactions" in this announcement;

"Yugang Sale Framework Agreement"	the framework agreement entered into between Shanghai Jinma and Yugang Coking on 18 September 2017 in respect of the sale of coal by Shanghai Jinma to Yugang Coking; and
"%"	per cent.

* *For identification purposes only*

By order of the Board
Henan Jinma Energy Company Limited
Yiu Chiu Fai
Chairman

Hong Kong, 23 August 2019

As at the date of this announcement, the executive Directors of the Company are Mr. YIU Chiu Fai, Mr. WANG Mingzhong and Mr. LI Tianxi; the non-executive Directors of the Company are Mr. HU Xiayu, Mr. QIU Quanshan and Mr. WANG Zhiming; and the independent non-executive Directors of the Company are Mr. ZHENG Wenhua, Mr. LIU Yuhui and Mr. WU Tak Lung.