



DELONG HOLDINGS LIMITED (REG NO. 199705215G)

**VERIFICATION OF THE CASH AND CASH EQUIVALENTS OF THE GROUP AND THE
EMPLOYEE COMPENSATION FOR THE CESSATION OF AOYU STEEL'S OPERATIONS**

Reference is made to (i) the announcement dated 29 November 2017 made by Delong Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) relating to the receipt of approval-in-principle from the SGX-ST in respect of the Proposed JV, subject to the conditions specified therein; and (ii) the circular dated 2 December 2017 (“**Circular**”) in relation to *inter alia* the Proposed JV.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular.

The Board of Directors (the “**Board**”) of the Company wishes to update the shareholders of the Company (“**Shareholders**”) that the Company’s auditors, Deloitte & Touche LLP (the “**Auditors**”), have been engaged to verify the cash and cash equivalents of the Group as of September 30, 2017 and the employee compensation for the cessation of Aoyu Steel’s operations. Deloitte & Touche LLP performed the procedures in accordance with Singapore Standard on Related Services applicable to agreed-upon procedures. Based on the agreed procedures performed, the Auditors found no exceptions.

The release of this announcement seeks to satisfy one of the conditions required by the SGX-ST for giving its approval-in-principle in respect of the Proposed JV. Further details on the foregoing can be found in the Company’s announcement dated 29 November 2017, or the Circular.

BY ORDER OF THE BOARD

Ding Liguo
Executive Chairman
27 February 2018