



DELONG HOLDINGS LIMITED (REG NO. 199705215G)

THE PROPOSED ACQUISITION OF 51% EQUITY STAKE IN ANHUI SHOUKUANG DACHANG METAL MATERIAL CO., LTD BY THE COMPANY'S INDIRECT WHOLLYOWNED SUBSIDIARY, DELONG STEEL LIMITED (THE "PROPOSED ACQUISITION")

- UPDATE ON STATUS OF BID APPLICATION

Reference is made to the announcements by Delong Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 10 May 2017, 1 December 2017, 2 December 2017 and 18 December 2017, and the circular dated 2 December 2017 (the "**Circular**") in relation to the Proposed Acquisition. All capitalised terms used and not defined herein shall have the same meanings ascribed to them in the Circular.

The Board of Directors of the Company (the "**Board**") wishes to announce that the Group has not been successful in its bid for the Target Stake at the Bidding Exercise. Accordingly, the Proposed Acquisition will not be completed.

The Commitment Sum of RMB10.0 million and bidding deposit of RMB531.85 million will be refunded in due course.

The Board and management of the Company will continue to explore and evaluate merger and acquisition opportunities in the PRC and in the region to grow its steel business for the long-term benefit of shareholders.

The Company will keep shareholders informed of any material developments on this matter and make further announcements as and when appropriate.

BY ORDER OF THE BOARD

Ding Liguao
Executive Chairman
29 December 2017