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北大资源
PKU RESOURCES

Peking University Resources (Holdings) Company Limited

北大资源（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00618)

CONTINUING CONNECTED TRANSACTION

MASTER ENTRUSTED MANAGEMENT AND CONSULTANCY AGREEMENT

On 27 August 2015, the Company entered into the Master Entrusted Management and Consultancy Agreement with PKU Resources Group pursuant to which the Group agreed to provide the Services to PKU Resources Group and its associates.

As at the date of this announcement, PKU Resources Group is an associate of PKU Asset Management, by virtue of PKU Asset Management being able to exercise or control the exercise of more than 30% of the voting power over PKU Resources Group. As PKU Asset Management is a controlling shareholder of the Company, each of its associates is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Master Entrusted Management and Consultancy Agreement will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules for the transactions contemplated under the Master Entrusted Management and Consultancy Agreement, on an annual basis, exceeds 0.1% but is less than 5%, the transactions contemplated under the Master Entrusted Management and Consultancy Agreement constitute non-exempt continuing connected transactions for the Company and are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular, independent financial advice and shareholders' approval requirements.

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Principal terms of the Master Entrusted Management and Consultancy Agreement

The principal terms of the Master Entrusted Management and Consultancy Agreement, among others, are set out below:

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| Entrustor | : | PKU Resources Group and its associates |
| Entrustee | : | the Group |
| Condition precedent | : | the Company complies with the relevant requirements of the Listing Rules with respect to the Master Entrusted Management and Consultancy Agreement |
| Term | : | from the Effective Date to 31 December 2017 |
| Scope of the Services | : | the Entrustee will provide management and consultancy services on various matters to the Entrustor, including (i) strategy and investment; (ii) project development; (iii) operation and management of investment properties; (iv) financial management; (v) day-to-day operation management; and (vi) other services as required in the day-to-day operation management, project development and construction and operation and management of investment properties of the Entrustor |
| Service fee and payment term | : | subject to the annual caps below, service fees are payable by the Entrustor to the Entrustee once every financial year, charged at 1% of the Sales Receipt generated by the Entrustor for the same financial period |

Annual Caps

The annual caps for the service fees to be paid by the Entrustor to the Entrustee for the Services under the Master Entrusted Management and Consultancy Agreement for each of the three years ending 31 December 2015, 2016 and 2017 are RMB40 million (equivalent to approximately HK\$48 million), RMB40 million (equivalent to approximately HK\$48 million) and RMB40 million (equivalent to approximately HK\$48 million), respectively.

Subject to the annual caps above, service fees are payable by the Entrustor to the Entrustee once every financial year, charged at 1% of the Sales Receipt generated by the Entrustor for the same financial period. The annual caps are determined with reference to, among others, (i) the plans of the property development projects of the Entrustor; and (ii) the estimated trend of the PRC property market prices for the years from 2015 to 2017.

Reasons and benefits of the Master Entrusted Management and Consultancy Agreement

In an effort to integrate property development projects from PKU Resources Group into the Group and minimize competition between the Company and its controlling shareholders, the Master Entrusted Management and Consultancy Agreement offers an opportunity for the Group to participate in the property development projects of PKU Resources Group. In addition, the entrustment is a less risky option for the Group to take part in property development projects without the need to incur additional costs and time involved in due diligence exercise. The Group will also benefit from such an arrangement in terms of additional revenue stream and cash flow. Further, it will provide a platform for the Group to build a strong and experienced management team to operate its new property development projects.

For the reasons stated above, the Directors (including the independent non-executive Directors) are of the view that transactions under the Master Entrusted Management and Consultancy Agreement are fair and reasonable and in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. As Mr. Zhang Zhao Dong, Mr. Fang Hao and Mr. Wei Jun Min are concurrently serving as directors of PKU Resources Group, they have abstained from voting on the resolution considering the Master Entrusted Management and Consultancy Agreement at the Board meeting of the Company. Saved as disclosed above, none of the other Directors has a material interest in the transactions contemplated under the Master Entrusted Management and Consultancy Agreement.

Information of the Parties

The Group is principally engaged in property development and property investment in the PRC and distribution of information products in Hong Kong and the PRC.

PKU Resources Group is a comprehensive real estate holding group specialized in real estate development, educational investment, commercial real estate operation, and property operation and management.

Listing Rules Implications

As at the date of this announcement, PKU Resources Group is an associate of PKU Asset Management, by virtue of PKU Asset Management being able to exercise or control the exercise of more than 30% of the voting power over PKU Resources Group. As PKU Asset Management is a controlling shareholder of the Company, each of its associates is a connected person of the Company under the Listing Rules. Accordingly, the transactions contemplated under the Master Entrusted Management and Consultancy Agreement will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

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requirements under Chapter 14A of the Listing Rules, but are exempt from the circular, independent financial advice and shareholders' approval requirements.

Definitions

Unless otherwise defined, the capitalised terms used in this announcement shall have the following meanings:

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| “associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Board” | the board of Directors |
| “Company” | Peking University Resources (Holdings) Company Limited (北大資源(控股)有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange under the stock code 00618 |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “controlling shareholder” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the directors of the Company |
| “Effective Date” | the effective date of the Master Entrusted Management and Consultancy Agreement, which is upon the duly execution of the Master Entrusted Management and Consultancy Agreement by PKU Resources Group and the Company as well as the approval of the Master Entrusted Management and Consultancy Agreement by the Board |
| “Entrustor” | PKU Resources Group and its associates |
| “Trustee” | the Group |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time |
| “Main Board” | the stock exchange (excluding the option market) operated by The Stock Exchange of Hong Kong Limited, which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange |
| “Master Entrusted Management and Consultancy Agreement” | a master entrusted management and consultancy agreement dated 27 August 2015 entered into between the Company and PKU Resources Group |

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| “PKU Asset Management” | 北大資產經營有限公司 (Peking University Asset Management Company Limited*), a company established in the PRC with limited liability; a controlling shareholder of the Company |
| “PKU Resources Group” | 北大資源集團有限公司 (Peking University Resources Group Co., Ltd.*), a company established in the PRC with limited liability |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Sales Receipt” | the aggregate amount of any deposit, down payment, mortgage amount and other amounts received in relation to sale of units (including any pre-sale and completed units) under property development projects as well as any amount received from lease of such units |
| “Services” | the management and consultancy services on various matters to be provided by the Entrustee to the Entrustor under the Master Entrusted Management and Consultancy Agreement, including (i) strategy and investment; (ii) project development; (iii) operation and management of investment properties; (iv) financial management; (v) day-to-day operation management; and (vi) other services as required in the day-to-day operation management, project development and construction and operation and management of investment properties of the Entrustor |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary” | has the meaning given to it under the Listing Rules |

By order of the Board of
Peking University Resources (Holdings) Company Limited
Zhang Zhao Dong
Chairman

Hong Kong, 27 August 2015

As at the date of this announcement, the Board comprises executive Directors of Mr. Zhang Zhao Dong (Chairman), Mr. Fang Hao (President), Mr. Zhou Bo Qin, Mr. Wei Jun Min, Mr. Xie Ke Hai and Mr. Zheng Fu Shuang, and the independent non-executive Directors of Mr. Li Fat Chung, Ms. Wong Lam Kit Yee and Ms. Cao Qian.

For illustrative purpose only, RMB is converted into HK\$ at an exchange rate of RMB1.00 = HK\$1.20 in this announcement.

* *For identification purpose only*