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资源控股
RESOURCES HOLDINGS

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)

DISCLOSEABLE TRANSACTION
DISPOSAL OF 51% EQUITY INTEREST IN THE TARGET COMPANY

THE DISPOSAL

The Board is pleased to announce that on 21 April 2022 (after trading hours of the Stock Exchange), the Purchasers, the Vendor (an indirect wholly-owned subsidiary of the Company) and the Target Company entered into the Equity Transfer Agreement, pursuant to which the Purchasers have conditionally agreed to acquire, and the Vendor have conditionally agreed to sell, the Target Shares, being 51% equity interest in the Target Company, for the Consideration of RMB100.51 million.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

Shareholders and potential investors should note that the Disposal contemplated under the Equity Transfer Agreement is subject to satisfaction of certain conditions precedent and it may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

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The Equity Transfer Agreement

The principal terms of the Equity Transfer Agreement are set out below:

Date

21 April 2022 (after trading hours of the Stock Exchange)

Parties

The Purchasers	:	(1) Chengdu Moding Zhishi Investment Management Co., Ltd.* (成都摩頂智識投資管理有限公司)
	:	(2) Chengdu Yizhong Wisdom Investment Management Co., Ltd.* (成都一眾智慧投資管理有限公司)
	:	(3) Chongqing Shengfu Future Industry Co., Ltd.* (重慶盛福未來實業有限公司)
The Vendor	:	Chongqing Ruihesheng Project Management Co., Ltd.* (重慶睿和升項目管理有限公司)
The Target Company	:	Chongqing Xinlongrui Information Technology Co., Ltd.* (重慶鑫隆睿信息科技有限公司)

Asset to be disposed of

The Purchasers have agreed to acquire, and the Vendor have agreed to sell, the Target Shares, being 51% equity interest in the Target Company.

Consideration

RMB100.51 million, which shall be satisfied by each of the Purchasers in proportion to the Target Shares acquired by them from the Vendor by way of cash payment as follows:

- (1) Chengdu Moding : RMB51,240,392 for 26% equity interest in the Target Company
- (2) Chengdu Yizhong : RMB33,503,333 for 17% equity interest in the Target Company
- (3) Chongqing Shengfu : RMB15,766,275 for 8% equity interest in the Target Company

The Consideration was determined after arm's length negotiations between the Purchasers and the Vendor with reference to the unaudited total owners' equity attributable to the parent company of the Target Group of approximately RMB150,594,000 as at 31 March 2022, and the financial position and business prospect of the Target Group.

Conditions precedent

Completion is subject to the following conditions precedent being fulfilled:

- (1) the Purchasers and the Vendor have executed the Equity Transfer Agreement;
- (2) the transfer of the Target Shares and the amended articles of association of the Target Company were validly approved by the members of the Target Company; and
- (3) the registration procedures with the relevant authorities to effect the transfer of the Target Shares were completed.

Completion

The Completion shall take place on the day on which the conditions precedent are fulfilled.

Transfer of Target Shares

Within 10 days after the execution of the Equity Transfer Agreement, the Purchasers shall settle the Consideration by way of cash payments to the Vendor. Within 10 business days after the Vendor received the Consideration in full, the Vendor shall assist the Target Company to complete the registration procedures with the relevant authorities to effect the transfer of the Target Shares to the Purchasers.

INFORMATION ON THE PARTIES

The Purchasers

Chengdu Moding is a company established under the laws of the PRC with limited liability and is principally engaged in investment management. Chengdu Moding is owned by Yang Yang (楊陽) and Rao Jia (饒佳) as to 65% and 35%, respectively. Both of them are investors with extensive experience in property development.

Chengdu Yizhong is a company established under the laws of the PRC with limited liability and is principally engaged in investment management. Chengdu Yizhong is owned by Lei Jiao (雷姣) and Ma Jinyao (馬景瑤) as to 70% and 30%, respectively. Both of them are investors with extensive experience in property development.

Chongqing Shengfu is a company established under the laws of the PRC with limited liability and is principally engaged in construction engineering. Chongqing Shengfu is wholly-owned by Harvest Lucky Corporation Limited (盛福有限公司), a company incorporated in Hong Kong with limited liability. Harvest Lucky Corporation Limited is wholly-owned by Lei Jiao (雷姣).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Purchasers and their respective ultimate beneficial owners is a third party independent of the Company and its connected persons.

The Company, the Group and the Vendor

The Company is incorporated in Bermuda with limited liability and its Shares are listed on the Main Board of the Stock Exchange (stock code: 00618). The Group is principally engaged in distribution of information products, property development and property investment businesses.

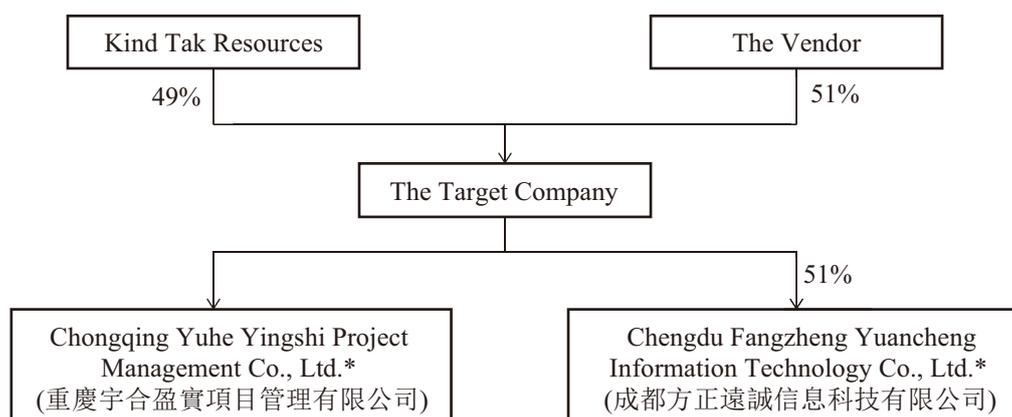
The Vendor is a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in management of investment projects.

The Target Group

The Target Group comprises the Target Company and its two subsidiaries.

The Target Company is a company established under the laws of the PRC with limited liability, which is held by the Vendor and Kind Tak Resources as to 51% and 49%, respectively. Both the Vendor and Kind Tak Resources are wholly-owned subsidiaries of the Company. The Target Company is principally engaged in investment holding.

The shareholding structure of the Target Group as at the date of this announcement is set out below:



The Target Company owns (i) 100% equity interest in Chongqing Yuhe Yingshi Project Management Co., Ltd.* (重慶宇合盈實項目管理有限公司), a company established under the laws of the PRC with limited liability and is principally engaged in property development business in the PRC and (ii) 51% equity interest in Chengdu Fangzheng Yuancheng Information Technology Co., Ltd.* (成都方正遠誠信息科技有限公司), a company established under the laws of the PRC with limited liability and is principally engaged in property development business in the PRC.

The unaudited consolidated financial information of the Target Group for the two years ended 31 December 2021 and for the three months ended 31 March 2022 are set out below:

	For the year ended		For the three
	31 December		months ended
	2020	2021	31 March
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue	242,804	20,572	27,885
Net profit/(loss) before taxation	551,331	(353,292)	22,343
Net profit/(loss) after taxation	419,665	(271,127)	19,620
	As at 31 December		As at 31 March
	2020	2021	2022
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Total assets	904,351	611,042	671,027
Net assets	416,187	145,059	238,784
Total owners' equity attributable to the parent company	204,758	66,483	150,594

The Target Group is the legal and beneficial owner of the Development, the details of which is set out below:

Location in the PRC	Holding company of the Development	Name of the Development	Effective equity interest held by the Target Group (%)	Type and number of properties held	Market value attributable to the Target Group as at
					31 January 2022
					<i>(RMB million)</i>
					<i>(Note)</i>
Chengdu, Sichuan Province (四川成都)	Chengdu Fangzheng Yuancheng Information Technology Co., Ltd.* (成都方正遠誠信息科技 有限公司)	Boya City Plaza* (Xinchuan Science & Technology Park 35 Mu Project*) (博雅城市廣場 (新川科技園35畝項目))	51%	60 residential units, 26 office units and 487 car parking spaces	797.2

Note: The market values of the Development were determined based on the valuation of the Development as at 31 January 2022 as appraised by Greater China Appraisal Limited, an independent valuer.

REASONS FOR AND BENEFITS OF THE DISPOSAL

As the Disposal was conducted at a premium with reference to the Consideration and the unaudited total owners' equity attributable to the parent company of the Target Group, it enables the Group to monetize the gain in its investment in the Development and improve its financial position. The Company could also use part of the net proceeds from the Disposal to repay its indebtedness to reduce its interest expenses and costs of default. The introduction of new shareholders to the Target Company could also facilitate the subsequent financing of the Target Group for its property development business.

On the basis of the foregoing, the Directors (including the independent non-executive Directors) believe that the terms of the Equity Transfer Agreement and the Disposal are fair and reasonable and in the interests of the Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL AND INTENDED USE OF PROCEEDS

Immediately after the Completion, the Group's equity interests in the Target Company will be reduced to 49%. Since Kind Tak Resources has the right to appoint a majority of the Target Company's board of directors in accordance with the amended articles of association of the Target Company, the Target Company will remain a subsidiary of the Company. The financial results, assets and liabilities of the Target Group will continue to be consolidated into the Group's consolidated financial statements.

It is expected that the Group would record a gain from the Disposal of approximately RMB23.71 million, which is calculated as the difference between: (i) the Consideration of RMB100.51 million; and (ii) the unaudited total owners' equity attributable to the parent company of the Target Group of approximately RMB150,594,000 as at 31 March 2022 multiplied by 51%. The actual gain to be recorded in the consolidated financial statement of the Group for the year ending 31 March 2023 is subject to audit.

The net proceeds from the Disposal will be used to repay the Company's indebtedness and as general working capital of the Group.

Shareholders and potential investors should note that the Disposal contemplated under the Equity Transfer Agreement is subject to satisfaction of certain conditions precedent and it may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

LISTING RULES IMPLICATIONS

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CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 26 April 2021 and will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITION

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

“Board”	the board of Directors
“Chengdu Moding”	Chengdu Moding Zhishi Investment Management Co., Ltd.* (成都摩頂智識投資管理有限公司), a company established under the laws of the PRC with limited liability, and one of the Purchasers
“Chengdu Yizhong”	Chengdu Yizhong Wisdom Investment Management Co., Ltd.* (成都一眾智慧投資管理有限公司), a company established under the laws of the PRC with limited liability, and one of the Purchasers
“Chongqing Shengfu”	Chongqing Shengfu Future Industry Co., Ltd.* (重慶盛福未來實業有限公司), a company established under the laws of the PRC with limited liability, and one of the Purchasers
“Company”	Peking University Resources (Holdings) Company Limited (北大資源(控股)有限公司), an exempted company incorporated in Bermuda with limited liability, and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00618)
“Completion”	completion of Disposal in accordance with the terms and conditions of the Equity Transfer Agreement
“Consideration”	the consideration of RMB100.51 million payable by the Purchasers to the Vendor for the Disposal
“Development”	a development currently known as 博雅城市廣場 (新川科技園35畝項目) (Boya City Plaza* (Xinchuan Science & Technology Park 35 Mu Project*)) held by the Target Group
“Director(s)”	the director(s) of the Company

“Disposal”	the disposal of the Target Shares pursuant to the terms and conditions of the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement entered into between the Purchasers, the Vendor and the Target Company in relation to the Disposal
“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 People’s Republic of China
“Kind Tak Resources”	Kind Tak Resources (HK) Limited (佳得資源(香港)有限公司), a company incorporated in Hong Kong with limited liability, and a direct wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchasers”	Chengdu Moding, Chengdu Yizhong and Chongqing Shengfu
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Chongqing Xinlongrui Information Technology Co., Ltd.* (重慶鑫隆睿信息科技有限公同), a company established under the laws of the PRC with limited liability, which is held by the Vendor and Kind Tak Resources as to 51% and 49%, respectively
“Target Group”	the Target Company and its two subsidiaries, namely Chongqing Yuhe Yingshi Project Management Co., Ltd.* (重慶宇合盈實項目管理有限公同) and Chengdu Fangzheng Yuancheng Information Technology Co., Ltd.* (成都方正遠誠信息科技有限公同)

“Target Shares”	51% equity interest in the Target Company
“Vendor”	Chongqing Ruihesheng Project Management Co., Ltd.* (重慶睿和升項目管理有限公司), a company established under the laws of the PRC with limited liability, and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By Order of the Board
Peking University Resources (Holdings) Company Limited
Wong Kai Ho
Chairman

Hong Kong, 21 April 2022

As at the date of this announcement, the Board comprises executive Directors of Mr. Wong Kai Ho (Chairman), Mr. Wang Guiwu, Mr. Zheng Fu Shuang and Mr. Huang Zhuguang; and the independent non-executive Directors of Mr. Chu Kin Wang, Peleus, Mr. Chin Chi Ho, Stanley, Mr. Chung Wai Man, Mr. Hua Yichun and Mr. Wang Bingzhong.

* *For identification purposes only*