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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)

UPDATE ON LITIGATIONS

This announcement is made by Peking University Resources (Holdings) Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to the annual report of the Company for the fifteen months ended 31 March 2022 (“**2021/22 Annual Report**”).

LITIGATION A

As disclosed in the 2021/22 Annual Report, in August 2021, Minmetals International Trust Co., Ltd.* (“**Minmetals International**”) filed a civil complaint in the Intermediate People’s Court of Xining, Qinghai Province against Dongguan Yihui Property Co., Limited* (“**Dongguan Yihui**”) and two subsidiaries of the Company, Yuxi Runya Property Company Limited* (“**Yuxi Runya**”) and Chongqing Yingfeng Property Co., Ltd.* (“**Chongqing Yingfeng**”), in respect of the outstanding loans (“**Litigation A**”). Litigation A involved the outstanding loans in a principal amount of approximately RMB1,458,513,000 granted by Minmetals International to Dongguan Yihui (the “**Dongguan Yihui Loan**”). Yuxi Runya provided guarantee for the Dongguan Yihui Loan as a co-borrower. Besides, the Dongguan Yihui Loan was secured by the pledge of land held by Yuxi Runya and the 100% equity interest in Yuxi Runya held by Chongqing Yingfeng, respectively. In February 2022, the Intermediate People’s Court of Xining, Qinghai Province issued a civil judgment (the “**First Instance Judgment of Litigation A**”), which ruled that (i) Dongguan Yihui and Yuxi Runya shall jointly repay to Minmetals International the Dongguan Yihui Loan together with the corresponding interest and the attorney fee; and (ii) Minmetals International has the priority in respect of the compensation from the proceeds of auction and sale of the collateral provided by Yuxi Runya and Chongqing Yingfeng. Subsequently, Yuxi Runya has appealed the First Instance Judgment of Litigation A to the Higher People’s Court of Qinghai Province.

The Company was recently informed that the Higher People’s Court of Qinghai Province has issued a judgment in relation to the appeal, ruling that the appeal of Yuxi Runya was dismissed and the First Instance Judgment of Litigation A was upheld (the “**Second Instance Judgment of Litigation A**”). The Second Instance Judgment of Litigation A was a final judgment.

Dongguan Yihui is a wholly-owned subsidiary of Hong Kong Huzi Limited (“**HK Huzi**”). The Group had completed the disposal of 100% shareholding in HK Huzi on 25 March 2022. Upon the completion of the disposal, HK Huzi was no longer a subsidiary of the Company, and the financial information of HK Huzi and its subsidiaries, including the financial information of Dongguan Yihui, was no longer consolidated in the accounts of the Group. Accordingly, the Dongguan Yihui Loan was no longer part of the liabilities of the Group. As disclosed in the 2021/22 Annual Report, the Group has made provision of approximately RMB215,562,000 for the guarantee liability undertaken by the Group in respect of the Dongguan Yihui Loan, which was recognised in the consolidated financial statements of the Group for the fifteen months ended 31 March 2022. The Group will determine whether to make any other provision after taking into account various relevant factors, including but not limited to the asset condition of Dongguan Yihui and the value of the collateral.

LITIGATION B

As disclosed in the 2021/22 Annual Report, in August 2021, Minmetals International filed a civil complaint in the Intermediate People’s Court of Xining, Qinghai Province against Wuhan Tianhe Jinrui Property Development Company Limited* (“**Wuhan Tianhe**”), Peking University Resources Group Investment Company Limited* (“**Resources Investment**”) and a subsidiary of the Company, Yuxi Runya, in respect of the outstanding loans (“**Litigation B**”). Litigation B involved the outstanding loans in a principal amount of approximately RMB620,000,000 granted by Minmetals International to Wuhan Tianhe (the “**Wuhan Tianhe Loan**”). Yuxi Runya provided guarantee for the Wuhan Tianhe Loan as a co-borrower. In February 2022, the Intermediate People’s Court of Xining, Qinghai Province issued a civil judgment (the “**First Instance Judgment of Litigation B**”), which ruled that (i) Wuhan Tianhe and Yuxi Runya shall jointly repay to Minmetals International the Wuhan Tianhe Loan together with the corresponding interest and the attorney fee; and (ii) Minmetals International has the priority in respect of the compensation from the proceeds of auction and sale of the collateral provided by Wuhan Tianhe and Resources Investment. Subsequently, Wuhan Tianhe has appealed the First Instance Judgment of Litigation B to the Higher People’s Court of Qinghai Province.

The Company was recently informed that the Higher People’s Court of Qinghai Province has issued a judgment in relation to the appeal, ruling that the appeal of Wuhan Tianhe was dismissed and the First Instance Judgment of Litigation B was upheld (the “**Second Instance Judgment of Litigation B**”). The Second Instance Judgment of Litigation B was a final judgment.

Wuhan Tianhe and Resources Investment are wholly-owned subsidiaries of HK Huzi. Upon the completion of the disposal of HK Huzi, HK Huzi was no longer a subsidiary of the Company, and the financial information of HK Huzi and its subsidiaries, including the financial information of Wuhan Tianhe and Resources Investment, was no longer consolidated in the accounts of the Group. Accordingly, the Wuhan Tianhe Loan was no longer part of the liabilities of the Group. No provision has been made by the Group for the guarantee liability undertaken by the Group in respect of the Wuhan Tianhe Loan in the consolidated financial statements of the Group for the fifteen months ended 31 March 2022 as the value of Wuhan Tianhe's assets and the collateral provided was sufficient to cover the Wuhan Tianhe Loan.

Save as disclosed in this announcement, the directors of the Company consider that the above litigations will not have any material adverse impacts on the operation and financial position of the Group. Further announcement(s) will be made by the Company in respect of material developments in the matters as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

Hong Kong, 30 September 2022

As at the date of this announcement, the Board comprises executive Directors of Mr. Wong Kai Ho (Chairman), Mr. Wang Guiwu, Mr. Huang Zhuguang and Mr. Guo Langhua; 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*