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## **Royal Century Resources Holdings Limited**

**仁德資源控股有限公司**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 8125)**

### **CONNECTED TRANSACTION IN RELATION TO APPOINTMENT OF MATCHING SERVICE AGENT**

References are made to the announcements of Royal Century Resources Holdings Limited (the “**Company**”) dated 28 August 2020 (the “**Announcement**”) and 3 September 2020 in relation to, among other things, the Share Consolidation, Change in Board Lot Size, Rights Issue and Placing. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, in order to facilitate the trading of odd lots of the Consolidated Shares arising from the Share Consolidation and alleviate the difficulties arising from the existence of odd lots of Rights Shares arising from the Rights Issue and the Change in Board Lot Size, the Company would appoint a securities firm to provide odd lots matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares (including the Rights Shares) to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares (including the Rights Shares).

### **CONNECTED TRANSACTION**

The Board announces that on 22 October 2020 (after trading hours of the Stock Exchange), the Company entered into a matching service agreement (the “**Matching Service Agreement**”) with ChaoShang Securities Limited (the “**Matching Service Agent**” or “**ChaoShang Securities**”) in relation to the appointment of ChaoShang Securities as matching service agent for the sale and purchase of odd lots of the Consolidated Shares (including the Rights Shares).

The principal terms of the Matching Service Agreement are as follows:

- Date:** 22 October 2020
- Parties:** (i) the Company; and  
(ii) ChaoShang Securities
- Services:** The Matching Service Agent shall provide standard matching services to the Shareholders who wish to acquire odd lots of the Consolidated Shares (including the Rights Shares) to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares (including the Rights Shares) during the period as stated in the Prospectus in relation to the Rights Issue to be despatched to the Shareholders.
- Service fee:** The service fee of HK\$20,000 shall be payable upon completion of the provision of the odd lot matching services.

Shareholders should note that matching of the sale and purchase of odd lots of the Consolidated Shares is on a best effort basis and successful matching of the sale and purchase of such odd lots is not guaranteed.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The Group is principally engaged in (i) provision of fitting out and engineering, design and procurement of furnishings and related products services; (ii) leasing of construction equipment; (iii) sourcing and merchandising of fine and rare wines; and (iv) provision of financial services.

ChaoShang Securities, who is also the Placing Agent, is a corporation licensed to carry out Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) under the SFO and is a wholly-owned subsidiary of ChaoShang, a Substantial Shareholder.

The Matching Service Agreement was entered into with an aim to facilitate the trading of odd lots of the Consolidated Shares arising from the Share Consolidation and alleviate the difficulties of Shareholders arising from the existence of odd lots of Rights Shares arising from the Rights Issue and the Change in Board Lot Size. The terms of the Matching Service Agreement (including the service fee) were determined after arm's length negotiations between the Company and the Matching Service Agent with reference to prevailing market terms (including service fee) for the comparable services provided by securities firms in Hong Kong.

The Directors (excluding the independent non-executive Directors whose view will be expressed after considering the advice of the Independent Financial Adviser) consider that the service fee charged under the Matching Service Agreement is no less favourable to the Company than the prevailing market rate, and the entering into of the Matching Service Agreement is on normal commercial terms and the terms thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

ChaoShang Securities is wholly-owned by ChaoShang, which is a substantial shareholder of the Company. As at the date of this announcement, ChaoShang is beneficially interested in 85,752,000 Shares, representing approximately 16.41% of the existing issued Shares. ChaoShang Securities is therefore a connected person of the Company under Chapter 20 of the GEM Listing Rules. Given that the transactions contemplated under the Placing Agreement and the Matching Service Agreement are both entered into by the Company with the same party, they are aggregated pursuant to Rule 20.79 of the GEM Listing Rules. As such, the entering into of the Matching Service Agreement and the transactions contemplated thereunder constitute a connected transaction on the part of the Company under the GEM Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Mr. Chan Chi Yuen, an executive Director, is also an executive director of ChaoShang, which is the holding company of the Matching Service Agent, and has abstained from voting on the Board resolutions which approved the Rights Issue, the Underwriting Agreement, the Placing Agreement, the Matching Service Agreement and the transactions contemplated thereunder voluntarily on the ground of good corporate governance.

## **GENERAL**

The EGM will be held to consider and, if thought fit, pass the resolution(s) to approve, among other things: (i) the Share Consolidation; (ii) the Rights Issue; (iii) the Underwriting Agreement; (iv) the Placing Agreement; and (v) the Matching Service Agreement. Only the Independent Shareholders will be entitled to vote on the resolution(s) to approve the Rights Issue, the Underwriting Agreement, the Placing Agreement, the Matching Service Agreement and the transactions contemplated thereunder at the EGM.

The Directors (excluding the independent non-executive Directors) and chief executive of the Company and their respective associates; as well as ChaoShang, will be required to abstain from voting on the resolution(s) to approve the Rights Issue, the Underwriting Agreement, the Placing Agreement, the Matching Service Agreement and the transactions contemplated thereunder at the EGM. Save as disclosed, to the best knowledge of the Directors, no other Shareholder is involved or interested in or has a material interest in the Rights Issue, the Underwriting Agreement, the Placing Agreement, the Matching Service Agreement and the transactions contemplated thereunder and, hence, is required to abstain from voting on the resolution(s) to approve the Rights Issue, the Underwriting Agreement, the Placing Agreement, the Matching Service Agreement and the transactions contemplated thereunder at the EGM. On the other hand, to the best knowledge of the Directors, no Shareholder is required to abstain from voting on the resolution to approve the Share Consolidation.

The Independent Board Committee has been established to advise the Independent Shareholders in respect of the Rights Issue, the Underwriting Agreement, the Placing Agreement, the Matching Service Agreement and the transactions contemplated thereunder, and as to the voting action therefor. An Independent Financial Adviser has also been appointed to advise the Independent Board Committee and the Independent Shareholders as to the fairness and reasonableness of the terms of the Rights Issue the Underwriting Agreement, the Placing Agreement, the Matching Service Agreement and the transactions contemplated thereunder.

By order of the Board  
**Royal Century Resources Holdings Limited**  
**Chan Chi Yuen**  
*Chairman and Executive Director*

Hong Kong, 22 October 2020

*As at the date of this announcement, the executive Directors are Mr. Chan Chi Yuen (Chairman), Mr. Wang Jun and Mr. Zhang Weijie; the non-executive Director is Mr. Tsang Kei Cheong; and the independent non-executive Directors are Mr. Chan Chiu Hung Alex, Mr. Wu Zhao and Mr. Lam Cheek Va.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the website of the Company at [www.royalcentury.hk](http://www.royalcentury.hk).*