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G-Resources Group Limited

國際資源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1051)

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF LIMITED PARTNER INTEREST IN A FUND

SUBSCRIPTION OF LIMITED PARTNER INTEREST IN A FUND

The Board is pleased to announce that on 28 January 2022 (after trading hours), the Subscriber, an indirect wholly-owned subsidiary of the Company, and the General Partner entered into the Subscription Agreement to subscribe for the Limited Partner Interest in the Fund as a Limited Partner for a capital commitment of US\$20 million (equivalent to approximately HK\$155.8 million).

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Subscription is more than 5% but all applicable percentage ratios are less than 25%, the Subscription constitutes a discloseable transaction on the part of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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The principal terms of the Subscription Agreement and the Limited Partnership Agreement are set out below:

SUBSCRIPTION AGREEMENT

- Date : 28 January 2022 (after trading hours)
- Name of the Fund : Princeville Global III LP
- Parties : The General Partner; and
the Subscriber.
- Subject matter : Subscription for the Limited Partner Interest.
- Contribution : A capital commitment of US\$20 million (equivalent to approximately HK\$155.8 million) by the Subscriber and will be contributed in instalments as specified by the General Partner pursuant to the terms and conditions of the Limited Partnership Agreement.
- Closing : The Subscription is conditional upon, among other things, the acceptance by the General Partner of the Subscription.

The capital commitment by the Subscriber was determined after arm's length negotiations between the General Partner and the Subscriber with reference to: (i) the investment objective of the Fund; (ii) the expected duration of the Fund; (iii) the possible investment return of the Fund; (iv) the financial position and resources of the Subscriber available; and (v) the investment opportunities expected to be available for the Group. The capital commitment will be funded by the Group's internal resources and paid by the Subscriber through wire transfer to the Fund when instalments of the capital commitment are due.

Simultaneously with the entering into of the Subscription Agreement, the General Partner, as the general partner and attorney of the Limited Partners, shall cause the Subscriber to become a party (as a Limited Partner) to the Limited Partnership Agreement, which governs the relationship between the General Partner and the Limited Partners and provides for (among other things) the manner of operation and management of the Fund.

LIMITED PARTNERSHIP AGREEMENT

- Date : 28 January 2022
- Name of the Fund : Princeville Global III LP
- Parties : (i) General Partner;
- (ii) Carried Interest Partner; and
- (iii) Limited Partners (by the General Partner, as attorney-in-fact of the Limited Partners, including the Subscriber).
- Purpose of the Fund : The Fund is being established for the principal purposes of (a) making, either directly or indirectly through an intermediate entity owned or controlled by the Fund, “breakout” stage investments in technology companies whose businesses are seeking growth capital, with a view to generating income and capital appreciation, (b) managing, supervising and disposing of such investments, and (c) engaging in such other activities related, incidental or ancillary thereto.
- Term of the Fund : The term of the Fund shall continue from its establishment on 11 February 2021 until the tenth (10th) anniversary of the final closing date, or such earlier time as determined by the General Partner but may be extended for an additional one-year period by the General Partner in its sole discretion, and further extended for up to two additional one-year periods by the General Partner with the approval of a majority in interest of the Limited Partners.
- Distribution of investment returns : The General Partner shall determine the timing and amount of distributions to be made by the Fund in accordance with the terms and conditions of the Limited Partnership Agreement.

Pursuant to the Limited Partnership Agreement, investment proceeds from any investment shall be apportioned preliminarily among the partners in proportion to their sharing percentages with respect to the applicable investment. The amount so apportioned to each partner shall be distributed between the Carried Interest Partner and such partner in accordance with the terms and conditions of the Limited Partnership Agreement.

- Transfer by Limited Partner : The Limited Partner Interests may not be directly or indirectly sold, assigned or transferred in whole or in part without the prior written consent of the General Partner.
- Management of the Fund : The General Partner will have full control and management over the conduct of the business, assets and affairs of the Fund. The General Partner may appoint the Management Company to provide investment advisory services to the Fund on a non-discretionary basis.
- Management fee : The Fund shall pay a management fee to the Management Company (or its designated affiliate) in respect of each non-affiliated partner equal to 2% per annum of such non-affiliated partner's capital commitment, with such fee stepping down in stages to 1.5% per annum in accordance with the terms and conditions of the Limited Partnership Agreement.
- Limited Liability : No Limited Partner shall be personally liable for any debts, liabilities, contracts or other obligations of Fund or have any obligations to make contributions to the Fund in excess of the amount of its commitment specified in the Subscription (or such other amount as otherwise agreed with such Limited Partner), except to the extent required by the Limited Partnership Agreement or the Subscription Agreement.

REASONS FOR, AND BENEFITS OF, THE SUBSCRIPTION

The Group is engaged in principal investment business, the goal of which is to identify investment opportunities and to invest in different industries to provide better risk weighted return and capital value to the Group. The Group continues to review its existing investment portfolio and intends to ride on its proven track record and experience. With the background of the ongoing pandemic of coronavirus disease 2019, the adoption of technology for both consumers and enterprises increased, generating attractive investment opportunities globally.

In such circumstance, by leveraging on the expertise, experience, track record and global network of the Fund's management team, the Group is optimistic about the potential of the Subscription and believes that (i) the Subscription presents an opportunity for the Group to invest in the fast growing technology sector globally and further diversify the investment portfolio; and (ii) the General Partner and its affiliates possess strategic resources that will be advantageous in sourcing, identifying and executing proprietary investment opportunities in the global technology sector and creating financial returns for the Group.

The Board considers that the terms of the Subscription Agreement and the Limited Partnership Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE FUND

The Fund is an exempted limited partnership established and registered in accordance with the Exempted Limited Partnership Act (as amended) of the Cayman Islands. The Fund was established on 11 February 2021.

To the best knowledge and information of the Directors, the target aggregate capital commitments of the Fund is US\$500 million (equivalent to approximately HK\$3,895 million) as at the date of this announcement. As at the date of this announcement, the Fund has around 75 investors as Limited Partners. As it has been established for less than one year, neither financial information nor past performance of the Fund is presented in this announcement.

The Company will recognise the Limited Partner Interest in the Fund as financial assets at fair value through profit or loss in the Company's financial statements under the applicable accounting standards.

INFORMATION OF THE SUBSCRIBER AND THE COMPANY

The Subscriber is a company established in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company. The Company is an investment holding company incorporated in Bermuda with limited liability, and through its subsidiaries, principally engaged in financial services business, principal investment business and real property business.

INFORMATION OF THE GENERAL PARTNER, THE CARRIED INTEREST PARTNER AND THE MANAGEMENT COMPANY

The General Partner, Princeville Global Partners III Ltd., which is also the Carried Interest Partner, is incorporated in the Cayman Islands as an exempted company. The management of the Fund shall be vested exclusively in the General Partner (acting directly or through its duly appointed agents), and the General Partner shall have full control and management over the conduct of the business, assets and affairs of the Fund. The General Partner shall have the power on behalf and in the name of the Fund to carry out any and all of the objectives and purposes of the Fund and to perform all acts and enter into and perform all contracts and other undertakings that the General Partner, in its sole discretion, deems necessary, advisable, appropriate or incidental thereto, including the power to acquire and dispose of any investment (including freely tradable securities and other marketable securities). The General Partner may appoint the Management Company to provide investment advisory services to the Fund on a non-discretionary basis.

The Management Company, Princeville Capital, is incorporated in the Cayman Islands as an exempted company. The Management Company is principally engaged and specialises in investing in technology-related growth companies around the world. The Management Company invests in companies in the “breakout” stage, in which there are proven business models, technologies, unit economics, accelerating KPIs and a need for capital to grow. Mr. Emmanuel DeSousa (“**Mr. DeSousa**”) and Mr. Joaquin Alberto C Rodriguez Torres (“**Mr. Rodriguez Torres**”) are the co-founders of the Management Company and lead the management team of the same, both possessing more than 20 years of investment experience, having invested in some of the prominent internet and technology companies globally.

As at the date of this announcement, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of (i) the General Partner, the Carried Interest Partner, the Management Company and their respective ultimate beneficial owners and (ii) Mr. DeSousa and Mr. Rodriguez Torres are third parties independent of the Company and its connected persons.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Subscription is more than 5% but all applicable percentage ratios are less than 25%, the Subscription constitutes a discloseable transaction on the part of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors;
“Carried Interest Partner”	General Partner and/or any Person admitted to the Fund and designated as a “Carried Interest Partner” by the General Partner (with such Person’s consent), in each case in its capacity as a carried interest partner of the Fund, and any successor of such Person in such capacity;
“Company”	G-Resources Group Limited, a company with limited liability incorporated under the laws of Bermuda whose shares are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules;
“Directors”	the directors of the Company from time to time;
“Fund”	Princeville Global III LP, an exempted limited partnership incorporated in the Cayman Islands;
“General Partner”	Princeville Global Partners III Ltd., an exempted company incorporated in the Cayman Islands with limited liability;
“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;
“Limited Partner(s)”	the limited partner(s) of the Fund;

“Limited Partner Interest”	the limited partnership interest in the Fund to be subscribed by the Subscriber pursuant to the Subscription;
“Limited Partnership Agreement”	the amended and restated agreement of exempted limited partnership of the Fund amongst the General Partner, the Carried Interest Partner and the Limited Partners dated 11 June 2021;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Management Company”	Princeville Capital, a Cayman Islands exempted company or any other Person designated from time to time by the General Partner as a management company;
“Person”	an individual, a partnership (general, limited or limited liability), a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organisation, or a governmental, quasi-governmental, judicial or regulatory entity or any department, agency or political subdivision thereof;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber”	Maximum Gains Group Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company;
“Subscription”	the subscription of the Limited Partner Interest by the Subscriber pursuant to the Subscription Agreement and the Limited Partnership Agreement;
“Subscription Agreement”	the subscription agreement dated 28 January 2022 entered into among the Subscriber and the General Partner which sets out the terms of the Subscription;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of HK\$7.79 per US\$1.00. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board
G-Resources Group Limited
Leung Oi Kin
Executive Director and Company Secretary

Hong Kong, 28 January 2022

As at the date of this announcement, the Board comprises:

- (i) Ms. Li Zhongye, Cindy as non-executive Director;*
- (ii) Mr. Leung Oi Kin and Mr. Leung Wai Yiu, Malcolm as executive Directors; and*
- (iii) Mr. Lo Wa Kei, Roy, Mr. Chen Gong and Mr. Martin Que Meideng as independent non-executive Directors.*

** For identification purpose only*