

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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)**

**NON-COMPLIANCE OF THE LISTING RULES  
IN RELATION TO PAST NOTIFIABLE TRANSACTIONS,  
PAST CONNECTED TRANSACTIONS AND  
PAST CONTINUING CONNECTED TRANSACTIONS**

As disclosed in the Investigation Result Announcement, during the period from 2016 to 2021, a subsidiary and certain former subsidiaries of the Company had entered into several transactions with Resources Group, a former controlling Shareholder. Based on the limited information currently available, the Company is of the view that these transactions constituted notifiable transactions, connected transactions and/or continuing connected transactions under Chapters 14 and 14A of the Listing Rules.

These transactions occurred between the period from 2016 to 2021. The aforementioned transactions failed to comply with the requirements of the relevant provisions of Chapters 14 and 14A of the Listing Rules. These requirements require publication of an announcement as soon as the terms of a notifiable transaction, connected transaction or continuing connected transaction have been finalised; sending a circular to Shareholders and the Stock Exchange to provide details of a major transaction, connected transaction or continuing connected transaction of the Company which should be subject to the approval of Shareholders, conducting such transaction only upon the approval of Shareholders and entering into written agreement for any connected transaction or continuing connected transaction.

As the transactions had taken place, the Board will not submit the transactions for approval by the independent Shareholders of the Company.

## INTRODUCTION

Reference is made to (i) the announcement of the Company dated 4 July 2022 in relation to the major findings of the Independent Investigation (the “**Investigation Result Announcement**”); and (ii) the announcement of the Company dated 5 July 2022 in relation to the key findings of the Internal Control Review (the “**IC Review Announcement**”, together with the Investigation Result Announcement, the “**Announcements**”). Unless otherwise stated, capitalized terms used in this announcement shall bear the same meanings as those defined in the Announcements.

As disclosed in the Investigation Result Announcement, during the period from 2016 to 2021, a subsidiary and certain former subsidiaries of the Company had entered into several transactions with Resources Group, a former controlling Shareholder. Based on the limited information currently available, the Company is of the view that these transactions constituted notifiable transactions, connected transactions and/or continuing connected transactions under Chapters 14 and 14A of the Listing Rules. Details of these transactions are set out in this announcement.

### A. KUNSHAN HI-TECH DEPOSITS

During the period between 2016 and 2020, Kunshan Hi-Tech, a former subsidiary of the Company, deposited funds with and received refunds from Resources Group (the “**Kunshan Hi-Tech Deposits**”):

#### Parties to the transaction

- (1) Kunshan Hi-Tech; and
- (2) Resources Group.

<b>Year ended 31 December</b>	<b>Total deposits made</b> <i>(RMB million)</i> (approximate)	<b>Total refunds received</b> <i>(RMB million)</i> (approximate)	<b>Accumulated net balance</b> <i>(RMB million)</i> (approximate)
2016	60.0	–	60.0
2017	1,570.8	230.0	1,400.8
2018	1,676.5	1,090.0	1,987.3
2019	98.0	0.8	2,084.5
2020	–	–	2,084.5

Based on the limited information currently available, there were interest earned or receivable from Resources Group between 2016 and 2020 in respect of the Kunshan Hi-Tech Deposits:

<b>Year ended 31 December</b>	<b>Interest earned or receivable (RMB million) (approximate)</b>
2016	Not available
2017	Not available
2018	8.1
2019	219.8
2020 (up to 31 July 2020)	128.9

### **Listing Rules Implications**

The Kunshan Hi-Tech Deposits placed by Kunshan Hi-Tech, a former subsidiary of the Company, with Resources Group, a former controlling Shareholder, constituted financial assistance as defined under Rule 14.04(1)(e) of the Listing Rules. As all the applicable percentage ratios in respect of the Kunshan Hi-Tech Deposits for the year ended 31 December 2016 were less than 5%, the Kunshan Hi-Tech Deposits did not constitute a disclosable transaction of the Company under Chapter 14 of the Listing Rules for the said year. As one or more of the applicable percentage ratios in respect of the Kunshan Hi-Tech Deposits exceeded 100% for each of the years ended 31 December 2017, 2018, 2019 and 2020, the Kunshan Hi-Tech Deposits constituted a major transaction of the Company under Chapter 14 of the Listing Rules for the said years and should have been subject to reporting, announcement, circular and shareholders' approval requirements as set out in Chapter 14 of the Listing Rules.

Furthermore, during the material time, Resources Group, being a former controlling Shareholder interested in more than 10% shareholding of the Company prior to October 2021, was a connected person of the Company. As such, the Kunshan Hi-Tech Deposits constituted a continuing connected transaction of the Company under Chapter 14A of the Listing Rules and should have been subject to reporting, announcement, circular and independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

Based on the information currently available, it appears that the Company did not comply with the requirements of Chapters 14 and 14A of the Listing Rules in respect of the Kunshan Hi-Tech Deposits.

## **B. ASSUMPTION OF KUNSHAN HI-TECH DEBT**

In March 2021, it was agreed between Resources Investment, a former subsidiary of the Company, Kunshan Hi-Tech and Resources Group that Resources Investment would assume the Kunshan Hi-Tech Debt of approximately RMB2,084.5 million arising from the Kunshan Hi-Tech Deposits.

### **Parties to the transaction**

- (1) Resources Investment;
- (2) Kunshan Hi-Tech; and
- (3) Resources Group.

### **Listing Rules Implications**

The assumption of the Kunshan Hi-Tech Debt by Resources Investment, a former subsidiary of the Company, from Resources Group, a former controlling Shareholder, constituted financial assistance as defined under Rule 14.04(1)(e) of the Listing Rules. As one or more of the applicable percentage ratios in respect of the assumption of the Kunshan Hi-Tech Debt exceeded 100%, the assumption of the Kunshan Hi-Tech Debt constituted a major transaction of the Company under Chapter 14 of the Listing Rules and should have been subject to reporting, announcement, circular and shareholders' approval requirements as set out in Chapter 14 of the Listing Rules.

Furthermore, during the material time, Resources Group, being a former controlling Shareholder interested in more than 10% shareholding of the Company prior to October 2021, was a connected person of the Company. As such, the assumption of the Kunshan Hi-Tech Debt constituted a connected transaction of the Company under Chapter 14A of the Listing Rules and should have been subject to reporting, announcement, circular and independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

Based on the information currently available, it appears that the Company did not comply with the requirements of Chapters 14 and 14A of the Listing Rules in respect of the assumption of the Kunshan Hi-Tech Debt.

### C. QINGDAO BOYA DEPOSITS

During the period between 2017 and 2020, Qingdao Boya, a former subsidiary of the Company, deposited funds with and received refunds from Resources Group (the “Qingdao Boya Deposits”):

#### Parties to the transaction

- (1) 青島博雅華府置業有限公司 (Qingdao Boya Real Estate Co., Ltd.\*, “Qingdao Boya”); and
- (2) Resources Group.

<b>Year ended 31 December</b>	<b>Total deposits made</b> <i>(RMB million)</i> (approximate)	<b>Total refunds received</b> <i>(RMB million)</i> (approximate)	<b>Accumulated net balance</b> <i>(RMB million)</i> (approximate)
2017	383.7	10.9	372.8
2018	20.0	–	392.8
2019	–	4.7	388.1
2020	–	–	388.1

Based on the limited information currently available, there were interest earned or receivable from Resources Group between 2017 and 2020 in respect of the Qingdao Boya Deposits:

<b>Year ended 31 December</b>	<b>Interest earned or receivable</b> <i>(RMB million)</i> (approximate)
2017	9.4
2018	35.2
2019	41.4
2020 (up to 31 July 2020)	24.1

The Qingdao Boya Deposits placed by Qingdao Boya, a former subsidiary of the Company, with Resources Group, a former controlling Shareholder, constituted financial assistance as defined under Rule 14.04(1)(e) of the Listing Rules. As one or more of the applicable percentage ratios in respect of the Qingdao Boya Deposits exceeded 25% but were all less than 100% for each of the years ended 31 December 2017, 2018, 2019 and 2020, the Qingdao Boya Deposits constituted a major transaction of the Company under Chapter 14 of the Listing Rules and should have been subject to reporting, announcement, circular and shareholders’ approval requirements as set out in Chapter 14 of the Listing Rules.

Furthermore, during the material time, Resources Group, being a former controlling Shareholder interested in more than 10% shareholding of the Company prior to October 2021, was a connected person of the Company. As such, the Qingdao Boya Deposits constituted a continuing connected transaction of the Company under Chapter 14A of the Listing Rules and should have been subject to reporting, announcement, circular and independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

Based on the information available, it appears that the Company did not comply with the requirements of Chapters 14 and 14A of the Listing Rules in respect of the Qingdao Boya Deposits.

#### **D. ASSUMPTION OF QINGDAO BOYA DEBT**

In March 2021, it was agreed between Resources Investment, Qingdao Boya and Resources Group that Resources Investment would assume the debt payable by Resources Group to Qingdao Boya of approximately RMB463.4 million arising from the Qingdao Boya Deposits (the “**Qingdao Boya Debt**”).

##### **Parties to the transaction**

- (1) Resources Investment;
- (2) Qingdao Boya; and
- (3) Resources Group.

##### **Listing Rules Implications**

The assumption of the Qingdao Boya Debt by Resources Investment, a former subsidiary of the Company, from Resources Group, a former controlling Shareholder, constituted financial assistance as defined under Rule 14.04(1)(e) of the Listing Rules. As one or more of the applicable percentage ratios in respect of the assumption of the Qingdao Boya Debt exceeded 25% but were all less than 100%, the assumption of the Qingdao Boya Debt constituted a major transaction of the Company under Chapter 14 of the Listing Rules and should have been subject to reporting, announcement, circular and shareholders' approval requirements as set out in Chapter 14 of the Listing Rules.

Furthermore, during the material time, Resources Group, being a former controlling Shareholder interested in more than 10% shareholding of the Company prior to October 2021, was a connected person of the Company. As such, the assumption of the Qingdao Boya Debt constituted a connected transaction of the Company under Chapter 14A of the Listing Rules and should have been subject to reporting, announcement, circular and independent shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

Based on the information currently available, it appears that the Company did not comply with the requirements of Chapters 14 and 14A of the Listing Rules in respect of the assumption of the Qingdao Boya Debt.

## **E. THE CITIC LOAN**

In January 2019, Founder Century, a subsidiary of the Company, as the borrower, and CITIC Trust, as the lender, entered into the Loan Agreement, pursuant to which CITIC Trust provided a loan of RMB2.5 billion to Founder Century (the “**CITIC Loan**”). After Founder Century received the loan, it transferred the fund drawn down from such loan to Resources Investments, and Resources Investments subsequently transferred such fund to Resources Group, the former controlling Shareholder (the “**CITIC Loan Transfer**”). The actual user of the fund drawn down from the CITIC Loan was Resources Group.

### **Parties to the transaction**

- (1) Founder Century, as the borrower;
- (2) Resources Group, as the actual user of the fund drawn down from the CITIC Loan; and
- (3) CITIC Trust, a third party independent of the Company and its connected persons, as the lender.

As at 31 March 2022, the outstanding principal and interest payable of under the CITIC Loan amounted to approximately RMB1,068.9 million and approximately RMB541.5 million, respectively.

### **Listing Rules Implications**

The transfer of the fund drawn down from the CITIC Loan from Resources Investments, a former subsidiary of the Company, to Resources Group, a former controlling Shareholder, constituted financial assistance as defined under Rule 14.04(1)(e) of the Listing Rules. As one or more of the applicable percentage ratios in respect of the CITIC Loan Transfer exceeded 25% but were all less than 100%, the CITIC Loan Transfer constituted a major transaction of the Company under Chapter 14 of the Listing Rules and should have been subject to reporting, announcement, circular and shareholders’ approval requirements as set out in Chapter 14 of the Listing Rules.

During the material time, Resources Group was a connected person of the Company, thus the CITIC Loan Transfer constituted a continuing connected transaction of the Company under Chapter 14A of the Listing Rules and should have been subject to reporting, announcement, circular and independent shareholders’ approval requirements as set out in Chapter 14A of the Listing Rules.

Based on the information available, it appears that the Company did not comply with the requirements of Chapters 14 and 14A of the Listing Rules in respect of the CITIC Loan Transfer.

## **F. OTHER ISSUE**

It is noted that the Company was unable to locate written documents in respect of certain transactions disclosed in this announcement, namely, the Kunshan Hi-Tech Deposits, the Qingdao Boya Deposits, and the CITIC Loan Transfer, as such it appears that the Company did not comply with the requirements under Rule 14A.34 of the Listing Rules that the Group must enter into written agreements for connected transactions or continuing connected transactions.

## **REASONS FOR THE TRANSACTIONS**

Prior to October 2021, Resources Group was an indirect controlling Shareholder. During the material time, Resources Group had conducted the overall fund management of the subsidiaries of the Company which are engaged in real estate development business. Resources Group transferred funds to the subsidiaries of the Company which are engaged in real estate development business and such subsidiaries also transferred or deposited their funds to Resources Group in accordance with the instructions given by the Treasury Department of the Resources Group for centralized fund allocation. The Kunshan Hi-Tech Deposits and Qingdao Boya Deposits were deposited with Resources Group under such centralized fund allocation arrangements.

The Company further understands that, at the time of the CITIC Loan, Resources Group and its associates needed funding and as the real estate industry was in a tight financing situation, Founder Century, being engaged in distribution business, was in a better position to raise funds. As such, Founder Century acted as the borrower in respect of CITIC Loan, while the actual user of the fund drawn down from the CITIC Loan was Resources Group.

## **INFORMATION ABOUT THE PARTIES**

### **The Company and the Group**

The Company is incorporated in Bermuda with limited liability and its Shares are listed on the Main Board of the Stock Exchange (stock code: 618). The Group is principally engaged in distribution of information products, property development and property investment businesses.

### **Resources Group**

Based on information available to the Company, Resources Group is a comprehensive technology and innovation services holding group specialized in real estate development, investment and development of technology and innovation industry, educational investment,

commercial real estate operation, and property operation and management. The Company understands that Resources Group have undergone substantive consolidated restructuring together with Peking University Founder Group Company Limited (“**Peking Founder**”) and three other companies on the grounds of the highly mixed legal personalities of Peking Founder, Resources Group and three other companies.

### **Resources Investment, Kunshan Hi-Tech and Qingdao Boya**

Resources Investment is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Hong Kong Huzi Limited (the “**Disposal Company**”). The Disposal Company, a company incorporated in Hong Kong with limited liability, was a direct wholly-owned subsidiary of the Company prior to its disposal by the Company on 25 March 2022 (the “**Disposal**”). The principal business activity of Resources Investment is investment holding.

Kunshan Hi-Tech and Qingdao Boya are companies established in the PRC with limited liability, being indirect wholly-owned subsidiaries of the Disposal Company. Prior to completion of the Disposal, Kunshan Hi-Tech and Qingdao Boya were indirect wholly-owned subsidiaries of the Company. The principal business activities of Kunshan Hi-Tech and Qingdao Boya were property development.

### **Founder Century**

Founder Century is a company established in the PRC with limited liability, being an indirect wholly-owned subsidiary of the Company. The principal business activity of Founder Century is distribution of information products.

### **CITIC Trust**

CITIC Trust is a trust company engaged in investment and financing business. It is a wholly-owned subsidiary of CITIC Group Corporation (中國中信集團有限公司). CITIC Group Corporation is a stated-owned enterprise. Through its subsidiaries, CITIC Group Corporation operates in five business sectors, including comprehensive financial service, advanced intelligent manufacturing, advanced materials, new consumption, and new-type urbanization.

To the best of the Director’s knowledge, information and belief, after having made all reasonable enquiries, CITIC Trust and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

### **NON-COMPLIANCE OF LISTING RULES**

The aforementioned transactions occurred between the period from 2016 to 2021. The aforementioned transactions failed to comply with the requirements of the relevant provisions of Chapters 14 and 14A of the Listing Rules. These requirements require the publication of an announcement as soon as the terms of a notifiable transaction, connected transaction or

continuing connected transaction have been finalised; sending a circular to Shareholders and the Stock Exchange to provide details of a major transaction, connected transaction or continuing connected transaction of the Company which should be subject to the approval of Shareholders, conducting such transaction only upon the approval of Shareholders and entering into written agreement for any connected transaction or continuing connected transaction.

As at the date of this announcement, the aforementioned transactions had taken place, and they were identified by the Company following the investigation by the Special Investigation Committee and the Investigation by the Investigator appointed by the Special Investigation Committee. Following completion of the Disposal, other than the CITIC Loan which is still accounted for by the Group, the Group no longer accounts for all the other transactions.

As the transactions had taken place, the Board will not submit the transactions for approval by the independent Shareholders.

The Company has appointed BizGear Corporate Consulting Limited as the Internal Control Consultant of the Company, and as disclosed in the announcement of the Company dated 5 July 2022 in relation to the key findings of the Internal Control Review, the Company has responded with remedial action plans with respect to material weaknesses and deficiencies identified by the Internal Control Consultant. The Company has established a new internal control manual with respect to financial, operational, and corporate governance perspective. In addition, the Company also established the OA system, which is an office communication and approval model based on automation technologies with established procedures for control purpose.

The Company shall continue to enhance its internal control system and strictly enforce the compliance with the internal control manual and risk control matters of its business operations, thereby avoiding the re-occurrence of similar incidents.

The Board (including the Audit Committee) has reviewed the IC Review Report and considers that (i) the Internal Control Review has adequately assessed the effectiveness of the internal controls of the Group and ascertained certain internal control deficiencies; (ii) the identified internal control deficiencies have been remediated; and (iii) the remedial actions and improvement measures implemented by the Group are adequate and sufficient to address the identified internal control deficiencies, including those relevant to the Misappropriation and the Misconduct. The Board and the Audit Committee are of the view that the Company has in place adequate internal controls and procedures to comply with the Listing Rules.

## **IMPACT OF THE MISAPPROPRIATION AND THE MISCONDUCT ON THE FINANCIAL AND OPERATION POSITIONS OF THE GROUP**

The Company completed the Disposal in March 2022. The matters relating to the Kunshan Hi-Tech Deposits, the Kunshan Hi-Tech Debts, the Qingdao Boya Deposits, the Qingdao Boya Debts and all other matters highlighted in the major findings of the Independent Investigation, other than the CITIC Loan, are no longer accounted for by the Group following the deconsolidation of the Disposal Company and its subsidiaries (the “**Disposal Group**”).

In respect of the CITIC Loan, as a remedial action to protect the interest of the Group, on 15 November 2021, Founder Century, Resources Investment and 東莞億輝地產有限公司 (Dongguan Yihui Property Co., Ltd.\*, (“**Dongguan Yihui**”)), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Disposal Company, executed the debt assignment agreement (the “**Debt Assignment Agreement**”), pursuant to which Founder Century transferred to Dongguan Yihui its right in the debt owed by Resources Investment and in consideration, Dongguan Yihui agreed to assume the liabilities of Founder Century to repay all the outstanding principal and interest payable under the CITIC Loan. As Dongguan Yihui has pledged a parcel of land in Dongguan, Guangdong, the PRC (namely the development of Yihe Emerald Park (頤和翡翠花園)) (the “**Dongguan Yihui Land**”) as security for repayment of the CITIC Loan in favour of CITIC Trust, the Group and Dongguan Yihui further entered into a legally binding memorandum of understanding on 16 June 2022, pursuant to which Dongguan Yihui shall apply the sale proceeds from the disposal of the Dongguan Yihui Land toward the repayment of the outstanding principal and interest payable under the CITIC Loan on a priority basis (the “**Dongguan Yihui MOU**”). As such, Founder Century recognized account receivable from Dongguan Yihui of approximately RMB1,610.4 million as at 31 March 2022, which is equivalent to the aggregate of the outstanding principal and interest payable under the CITIC Loan. As such, the financial position of the Group is protected as Dongguan Yihui has agreed to assume the liabilities of Founder Century to repay all the outstanding principal and interest payable under the CITIC Loan and agreed to apply the sale proceeds from the disposal of the Dongguan Yihui Land toward the repayment on a priority basis.

Following completion of the Disposal, the Group recognized account receivable from the Disposal Group amounting to approximately RMB6,985.8 million as at 31 March 2022. Based on the assessment of the Company, the Group made a provision of impairment amounting to approximately RMB3,510.6 million in view of the net deficit position of the Disposal Group. This provision was made against the gain on the Disposal and as a result together with other adjustments, the gain on the Disposal as reflected in the audited consolidated results of the Company for the fifteen months ended 31 March 2022 is a net gain of approximately RMB3,371.9 million.

The account receivable from the Disposal Group was approximately RMB3,475.2 million after the provision of impairment of approximately RMB3,510.6 million. The remaining balance is supported by subsequent partly settlements by the Disposal Group, or secured by pledges of shares in certain subsidiaries of the Company held by companies in the Disposal Group.

As at the date of this announcement, the Company does not foresee any further impairment on the account receivable from the Disposal Group is necessary and accordingly, there is no further financial impact on the Group.

The operations of the Group remain normal and stable, and the Group did not experience any negative impact on the operations of the Group following the discovery of the Misappropriation and the Misconduct and completion of the Disposal. The Company does not foresee any negative financial or operational impact which may arise from the discovery of the Misappropriation and the Misconduct and completion of the Disposal in the future.

## **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.**

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

Hong Kong, 15 July 2022

*As at the date of this announcement, the Board comprises executive Directors of Mr. Wong Kai Ho (Chairman), Mr. Wang Guiwu, 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 purpose only*