

*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.*



## **HONG KONG RESOURCES HOLDINGS COMPANY LIMITED**

**香港資源控股有限公司**

*(Incorporated in Bermuda with limited liability  
and carrying on business in Hong Kong as HKRH China Limited)*  
**(Stock code: 2882)**

### **CONNECTED TRANSACTION AT SUBSIDIARY LEVEL**

#### **CONNECTED TRANSACTION AT SUBSIDIARY LEVEL**

On 28 July 2023 (after trading hours), the Company, as borrower, entered into the Loan Agreement with the Lender, as lender, pursuant to which the Loan in the principal amount of HK\$10,000,000 at an interest rate of 15% per annum was made available by the Lender to the Company. As security for the repayment obligation of the Company under the Loan Agreement, the Debenture was entered into by the Company in favour of the Lender on 28 July 2023.

#### **LISTING RULES IMPLICATIONS**

CGS was a subsidiary of the Company and was owned as to 50% by the Company and 50% by Luk Fook 3DM, being an indirect wholly-owned subsidiary of Luk Fook Holdings. As at the date of this announcement, to the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Lender was an indirect wholly-owned subsidiary of Luk Fook Holdings, thus a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. As such, the Loan Agreement and the transactions contemplated thereunder including the execution of the Debenture constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since (i) the Lender is a connected person of the Company at the subsidiary level; and (ii) the Board (including the independent non-executive Directors) has considered, confirmed and approved that the terms of the Loan Agreement and the Debenture are on normal commercial terms, which are fair and reasonable and in the interests of the Company and its shareholders as a whole, pursuant to Rule 14A.101 of the Listing Rules, the Loan Agreement and the transactions contemplated thereunder including the execution of the Debenture are only subject to the announcement and reporting requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

On 28 July 2023, the Company, as borrower, entered into the Loan Agreement with the Lender, as lender, pursuant to which the Loan in the principal amount of HK\$10,000,000 at an interest rate of 15% per annum was made available by the Lender to the Company.

## **THE LOAN AGREEMENT**

The principal terms and conditions of the Loan Agreement are as follows:

Date:	28 July 2023
Parties:	(i) The Company as borrower; and (ii) The Lender as lender
Principal amount of the Loan:	HK\$10,000,000
Interest rate:	The Company shall pay interest accrued on the outstanding principal at the Interest Rate of 15% per annum in arrears on each interest payment date and the repayment date, or until such other time when full repayment of the outstanding principal is made, or the date on which a demand is made.  The Interest Rate was determined after arm's length negotiations between the Company and the Lender with reference to the then prevailing market interest rates and the terms of the May 2023 Loan.
Default interest rate:	If the Company fails to repay any sum (whether of principal, interest or otherwise) to the Lender when due, the Company shall be liable to pay a default interest on such sum from and including the due date to the date of actual payment at the rate of 9% per annum higher than the Interest Rate.

Repayment date: The date falling four months from the date of drawdown.

Security: The Loan is secured by the Debenture executed by the Company in favour of the Lender.

## **Debenture**

As security for the repayment obligation of the Company under the Loan Agreement, on 28 July 2023, the Company executed the Debenture in favour of the Lender. Pursuant to which, the Company agreed to charge as a first fixed and floating charge over all the undertaking, property and assets of the Company in favour of the Lender as security for the repayment and discharge of the secured obligations, i.e. all obligations and liabilities on the part of the Company under the Loan Agreement together with the interest accrued thereon thereunder.

## **INFORMATION ON THE GROUP**

The Company is an investment holding company. The Group is principally engaged in (i) the retail sales and franchising operations for gold and jewellery products in Hong Kong, Macau and Mainland China, (ii) the wholesale and sub-contracting operations of gold and jewellery products in Mainland China; and (iii) new media marketing service business in the PRC.

CGS is a subsidiary of the Company and is owned as to 50% by each of the Company and Luk Fook 3DM. The principal activity of CGS is investment holding. Its subsidiaries are principally engaged in the trading and sale of gold, platinum and jewellery products in Hong Kong and other regions in the PRC through retailing, licensing and e-commerce under the brand or trade names of “3D-GOLD” and “金至尊”.

## **INFORMATION ON THE LENDER**

The Lender is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Luk Fook Holdings. The Lender is a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

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

On 4 May 2023, the Company obtained an interest-bearing loan of HK\$10,000,000 (the “**May 2023 Loan**”) from an Independent Third Party principally engaged in the money lending business, which is secured by (i) a debenture by way of first fixed and floating charge over all the undertaking, property and assets of the Company provided thereby in favour of the lender; and (ii) personal guarantees provided by executive Directors. Due to the restrictions contained in the financing documents prohibiting certain transactions the Company proposes to enter into, the Lender has agreed to enter into the Loan Agreement to provide funding to the Company for the purpose of repaying the principal amount of the May 2023 Loan.

After taking into account the imminent financial needs of the Company, the Directors considered that the terms of the Loan Agreement and the transactions contemplated thereunder including the execution of the Debenture are on normal commercial terms, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

CGS was a subsidiary of the Company and was owned as to 50% by the Company and 50% by Luk Fook 3DM, being an indirect wholly-owned subsidiary of Luk Fook Holdings. As at the date of this announcement, to the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the Lender was an indirect wholly-owned subsidiary of Luk Fook Holdings, thus a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. As such, the Loan Agreement and the transactions contemplated thereunder including the execution of the Debenture constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since (i) the Lender is a connected person of the Company at the subsidiary level; and (ii) the Board (including the independent non-executive Directors) has considered, confirmed and approved that the terms of the Loan Agreement and the Debenture are on normal commercial terms, which are fair and reasonable and in the interests of the Company and its shareholders as a whole, pursuant to Rule 14A.101 of the Listing Rules, the Loan Agreement and the transactions contemplated thereunder including the execution of the Debenture are only subject to the announcement and reporting requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **DEFINITIONS**

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

“Board”	the board of Directors
“CGS”	China Gold Silver Group Company Limited, a company incorporated in the British Virgin Islands with limited liability and a subsidiary of the Company, which is owned as to 50% by the Company and 50% by Luk Fook 3DM
“Company”	Hong Kong Resources Holdings Company Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2882)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company
“Debenture”	the debenture dated 28 July 2023 and executed by the Company in favour of the Lender
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party who is not a connected person of Luk Fook Holdings or the Company
“Interest Rate”	15% per annum
“Lender”	Luk Fook Finance Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Luk Fook Holdings
“Loan”	the loan in the principal amount of HK\$10,000,000 provided by the Lender to the Company pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 28 July 2023 entered into between the Lender and the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Luk Fook 3DM”	Luk Fook 3D Management Company Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of Luk Fook Holdings
“Luk Fook Holdings”	Luk Fook Holdings (International) Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 0590)
“PRC”	the People’s Republic of China which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“HK\$”

Hong Kong dollars, the lawful currency of Hong Kong

“%”

per cent.

By order of the Board of  
**Hong Kong Resources Holdings Company Limited**  
**Li Ning**  
*Chairman*

Hong Kong, 28 July 2023

*As at the date of this announcement, the Board comprises Mr. Li Ning (Chairman) and Mr. Wang Chaoguang (Co-chairman) as executive Directors; Mr. Hu Hongwei as non-executive Director; and Dr. Loke Yu alias Loke Hoi Lam, Dr. Fan, Anthony Ren Da and Mr. Chan Kim Sun as independent non-executive Directors.*