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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)

INSIDE INFORMATION ANNOUNCEMENT IN RELATION TO LITIGATION

This announcement is made by Peking University Resources (Holdings) Company Limited (the “**Company**”), together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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).

The Company was recently informed that the Beijing Financial Court* (北京金融法院) (the “**Court**”) issued a judgment (the “**Judgment**”) on 29 December 2023 in respect of a civil legal proceeding (the “**Litigation**”) filed by Beijing Branch of China Huarong Asset Management Co. Ltd.* (中國華融資產管理股份有限公司北京市分公司) (“**China Huarong**”) against Chongqing Yingfeng Property Co., Ltd.* (重慶盈豐地產有限公司) (“**Chongqing Yingfeng**”), an indirect wholly-owned subsidiary of the Company, and certain former subsidiaries of the Company, namely, Dongguan Yihui Property Co., Limited* (“**Dongguan Yihui**”) (東莞億輝地產有限公司), Dongguan Yida Property Co., Limited* (東莞億達地產有限公司) (“**Dongguan Yida**”) and Kunshan Hi-Tech Electronic Arts Creative Industry Development Co., Limited* (昆山高科電子藝術創意產業發展有限公司) (“**Kunshan Hi-Tech**”) in respect of a debt owed by Dongguan Yihui and Dongguan Yida to China Huarong (the “**Debt**”).

According to the Judgment, the Court has ruled that (i) Dongguan Yihui and Dongguan Yida shall jointly repay China Huarong the Debt with the principal amount of approximately RMB130.7 million, as well as the compensation for restructuring grace period (the “**Restructuring Compensation**”) and penalties for breach of contract; (ii) China Huarong shall have the priority in compensation over the proceeds from the auction or sale of several properties held by Chongqing Yingfeng and Kunshan Hi-Tech; and (iii) Dongguan Yihui, Dongguan Yida, Kunshan Hi-Tech and Chongqing Yingfeng shall pay China Huarong attorney fee of RMB150,000.

The relevant parties have been negotiating with China Huarong over the settlement of the Debt and the Litigation. Dongguan Yihui, Dongguan Yida and China Huarong entered into a debt settlement agreement (the “**Debt Settlement Agreement**”) on 30 June 2022, a supplemental agreement to the Debt Settlement Agreement (the “**First Supplemental Agreement**”) on 29 December 2022 and the second supplemental agreement to the Debt Settlement Agreement on 20 December 2023 (the “**Second Supplemental Agreement**”). Under the Second Supplemental Agreement, the parties agreed that (i) Dongguan Yihui and Dongguan Yida shall repay part of the principal amount of the Debt each quarter, and all outstanding principal amount of the Debt shall be repaid by 20 December 2024; (ii) Dongguan Yihui and Dongguan Yida shall repay the Restructuring Compensation with respect to the Debt by 20 December 2024; and (iii) Dongguan Yihui and Dongguan Yida shall repay costs incurred by China Huarong in recovering the Debt. As advised by the PRC legal advisors, despite the issue of the Judgement, the Second Supplemental Agreement is still legally binding and enforceable between the parties.

The Company is in the process of reviewing the Judgment and discussing with the PRC legal advisors to assess the situation and consider its possible options, including but not limited to any appeal process. As disclosed in the announcement of the Company dated 28 March 2022, the Group had completed the disposal of 100% shareholding in Hong Kong Huzi Limited (“**HK Huzi**”) on 25 March 2022. Upon 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 Dongguan Yihui, Dongguan Yida and Kunshan Hi-Tech, was no longer consolidated in the accounts of the Group. Pursuant to the Judgement, China Huarong shall have the priority in compensation over the proceeds from the auction or sale of certain properties held by Chongqing Yingfeng, an indirect wholly owned subsidiary of the Company. As at the date of this announcement, the carrying amount of the relevant properties of Chongqing Yingfeng was approximately RMB136.3 million. The Company will discuss with its accountants and consider the necessary accounting treatment of the Judgment according to the requirements of relevant accounting standards, and assess and determine whether to make any provision after taking into account various relevant factors, including but not limited to the settlement arrangement with the creditor, the asset and financial conditions of other co-defendants, the value of collaterals and the Group’s potential liabilities under the Judgment.

Save as disclosed in this announcement, based on information currently available, the directors of the Company consider that the Litigation 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 Listing Rules.

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

Hong Kong, 11 January 2024

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. Hou Ruilin; and the independent non-executive Directors of Mr. Chin Chi Ho, Stanley, Mr. Chung Wai Man and Mr. Hua Yichun.

* *For identification purposes only*