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If you have sold or transferred all your shares in Peking University Resources (Holdings) Company Limited, you should at once hand this circular to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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北大資源
PKU RESOURCES

Peking University Resources (Holdings) Company Limited

北大資源(控股)有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00618)

MAJOR TRANSACTION
ACQUISITION OF LAND USE RIGHTS IN KUNMING, THE PRC

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“Acquisition”	the acquisition of land use rights of the Lands through the listing-for sale online bidding process at the Auction
“associate”	has the meaning ascribed to it under the Listing Rules
“Auction”	the online bidding process held by Kunming Land & Mining Exchange, which was commissioned by Kunming Land Bureau and the management committee of Kunming Development Zone, at which the Lands were offered for sale
“Auction Confirmation”	the auction confirmation (昆明市國有建設用地使用權網上交易掛牌出讓成交確認書) entered into between Kunming Land & Mining Exchange and the Project Company confirming the successful bidding at the Auction
“Board”	the board of Directors
“Clinical Teaching Complex”	the clinical teaching complex to be constructed on the Lands for KMU which include construction of dental hospital, continuing education building, administration building, canteen, health and medical training centre and car parks
“Company”	Peking University Resources (Holdings) Company Limited (stock code: 00618), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning as defined in the Listing Rules
“Construction Agreement”	the construction agreement (KCXS2012-33號A3-1, A3-2地塊昆明醫科大學臨床教學基地建設項目還建協議) in respect of the Clinical Teaching Complex to be entered into between KMU and the successful bidder of the Lands as one of the conditions to the Auction
“Deyu Investment”	Beijing Deyu Investment Management Company Limited* (北京德譽投資管理有限公司), a limited liability company established in the PRC which is wholly owned by the PKU Investment
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Founder Information”	Founder Information (Hong Kong) Limited (香港方正資訊有限公司), a company established in Hong Kong with limited liability
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is(are) independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders, of the Company, its subsidiaries or any of their respective associate(s)
“KMU”	Kunming Medical University (昆明醫科大學)
“Kunming Development Zone”	Kunming National Hi-Tech Industries Development Zone (昆明國家高新技術產業開發區)
“Kunming Land Bureau”	Kunming Land & Resource Bureau (昆明市國土資源局)
“Kunming Land & Mining Exchange”	Kunming Land & Mining Exchange Centre (昆明市土地和礦業權交易中心)
“Lands”	two pieces of land situated at Affairs Office, Zong Shu Ying Street, Xishan District, Kunming* (昆明市西山區棕樹營街道辦事處) (Land codes: KCXS2012-33-A3-1 and KCXS2012-33-A3-2)
“Land Grant Contract”	Land Use Rights Grant Contract (國有建設用地使用權出讓合同) in respect of the Lands entered into between Kunming Land Bureau and Project Company
“Latest Practicable Date”	9 October 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nominee”	a PRC individual nominated by the Company for the purpose of the establishment of Rong Tong which will be replaced by Deyu Investment as the general partner of Rong Tong

DEFINITIONS

“Peking Founder”	Peking University Founder Group Co., Ltd.* (北大方正集團有限公司), a company established in the PRC with limited liability
“PKU Investment”	Peking University Resources Group Investment Company Limited* (北大資源集團投資有限公司), a company established in the PRC with limited liability which is an indirect wholly-owned subsidiary of the Company
“PKU Resources Group”	Peking University Resources Group Co., Ltd.* (北大資源集團有限公司), a company established in the PRC with limited liability
“PKU Resources Holdings”	北大資源集團控股有限公司 (Peking University Resources Group Holdings Co., Ltd.*), a company established in the PRC with limited liability
“PRC”	the People’s Republic of China
“Project Company”	Kunming Fangyuan Botai Zhiye Company Limited* (昆明方源博泰置業有限公司), a limited liability company established in the PRC, which is formed for the sole purpose of the development of the Lands and held as to 85% and 15% by PKU Investment and Rong Tong respectively
“Resettlement”	the resettlement of the existing residents on the Lands to be arranged by KMU
“Resettlement Agreement”	the resettlement agreement (KCXS2012-33號A3-1, A3-2地塊回遷安置房建設移交協議) in respect of the Resettlement to be entered into between KMU and the successful bidder for the Lands, as one of the conditions to the Auction
“Rong Tong”	Beijing Rongtong Runcheng Investment Management Partnership* (北京融通潤承投資管理合伙企業), a limited liability partnership enterprise established in the PRC, of which the Nominee is the general partner;
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	the ordinary shares of HK\$0.10 each in the issued share capital of the Company

DEFINITIONS

“Shareholder(s)”	the shareholder(s) of the Company
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules

For illustrative purpose only, RMB is converted into HK\$ at an exchange rate of RMB1=HK\$1.20 in this circular.

** For identification purpose only*

LETTER FROM THE BOARD



北大资源
PKU RESOURCES

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)

Executive Directors:

Mr Zhang Zhao Dong (*Chairman*)

Mr Fang Hao (*President*)

Mr Zhou Bo Qin

Mr Wei Jun Min

Mr Xie Ke Hai

Mr Zheng Fu Shuang

Independent non-executive Directors:

Mr Li Fat Chung

Ms Wong Lam Kit Yee

Ms Cao Qian

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Principal place of business
in Hong Kong:*

Unit 1408, 14th Floor

Cable TV Tower

9 Hoi Shing Road

Tsuen Wan

New Territories

Hong Kong

14 October 2015

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

ACQUISITION OF LAND USE RIGHTS IN KUNMING, THE PRC

1. INTRODUCTION

Reference is made to the announcement of the Company dated 28 August 2015 in relation to the Acquisition. The purpose of this circular is to provide you with further details of the Acquisition.

2. ACQUISITION OF LAND USE RIGHTS

The Project Company had succeeded in the bid of the land use rights of the Lands offered for sale by Kunming Land Bureau at the Auction for approximately RMB285,547,500 (equivalent to approximately HK\$342,657,000). Pursuant to the notice of the Auction, the Project Company, as successful bidder for the Lands, shall enter into the Construction Agreement and the Resettlement Agreement with KMU in respect the Clinical Teaching Complex and the Resettlement. Based on the illustration document issued by KMU for the purpose of the Auction, the aggregate costs and expenses for the construction of the

LETTER FROM THE BOARD

Clinical Teaching Complex project and the completion of the Resettlement will be approximately RMB1,325,000,000 (equivalent to approximately HK\$1,590,000,000) which will be borne by the Project Company, as successful bidder for the Lands. The Auction Confirmation was signed on 31 August 2015, and the Land Grant Contract was entered into on 10 September 2015.

Principal terms of the Auction Confirmation and the Acquisition

Date of the Auction Confirmation:	31 August 2015
Date of the Land Grant Contract:	10 September 2015
Parties to the Auction Confirmation:	(a) Kunming Land & Mining Exchange and (b) Project Company
Parties to the Land Grant Contract:	(a) Kunming Land Bureau and (b) Project Company
Code of the Lands:	KCXS2012-33-A3-1 and KCXS2012-33-A3-2
Location of the Lands:	Affairs Office, Zong Shu Ying Street, Xishan District, Kunming* (昆明市西山區棕樹營街道辦事處)
Site Area:	KCXS2012-33-A3-1: approximately 48,721 sq.m. KCXS2012-33-A3-2: approximately 6,779.07 sq.m.
Term of land use rights:	Residential use: 70 years Commercial use: 40 years
Nature of the land use rights:	Residential and commercial use
Consideration of the Lands:	Approximately RMB285,547,500 (equivalent to approximately HK\$342,657,000)
Expected payment term:	The consideration for the Lands is payable within 30 days from the date of the Auction Confirmation

* For identification purpose only

LETTER FROM THE BOARD

Special Conditions:

Pursuant to the notice of the Auction issued by the Kunming Land & Mining Exchange, successful bidder for the Lands have to:

- (1) enter into the Construction Agreement with KMU pursuant to which the successful bidder is responsible for the construction of Clinical Teaching Complex which shall be completed within 30 months after execution of the Land Grant Contract and transferred to KMU upon completion at nil consideration; and
- (2) enter into the Resettlement Agreement with KMU pursuant to which the successful bidder is responsible for the construction of certain housing units which shall be completed within 30 months after execution of the Land Grant Contract and transferred to KMU upon completion at nil consideration for the purpose of the Resettlement to be arranged by KMU.

Based on the illustration document issued by KMU for the purpose of the Auction, the aggregate costs and expenses for the construction of the Clinical Teaching Complex project and the completion of the Resettlement will be approximately RMB1,325,000,000 (equivalent to approximately HK\$1,590,000,000) which will be borne by the successful bidder for the Lands.

Consideration

The total consideration for the Acquisition payable by the Project Company was approximately RMB1,610,547,500 (equivalent to approximately HK\$1,932,657,000) comprising (a) the consideration of the Lands of approximately RMB285,547,500 (equivalent to approximately HK\$342,657,000) which was arrived at after bidding at the Auction and (b) the expected aggregate costs and expenses under the Construction Agreement and the Resettlement Agreement of approximately RMB1,325,000,000 (equivalent to approximately HK\$1,590,000,000) based on the illustration document issued by KMU for the purpose of the Auction. The Board considers that the total consideration is fair and reasonable having taking into account the current market conditions, the location, development costs and development potential of the Lands. The consideration will be funded by loan from substantial shareholder or its related companies.

LETTER FROM THE BOARD

Information of Kunming Land Bureau, Kunming Land & Mining Exchange and KMU

Kunming Land Bureau is a PRC governmental authority and the seller of the Lands. Kunming Land & Mining Exchange is a PRC public institution affiliated to Kunming Land Bureau and responsible for holding the Auction. KMU is a public medical university situated in Kunming, Yunnan Province of the PRC.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, each of the Kunming Land Bureau, Kunming Land & Mining Exchange, KMU and its ultimate beneficial owners (if any) are Independent Third Parties.

Information on PKU Investment

PKU Investment is a company established in PRC and an indirect wholly-owned subsidiary of the Company. PKU Investment's principal activity is investment holding and property development.

Reasons for the Acquisition

The Group is principally engaged in property development and property investment in the PRC, and distribution of information products in Hong Kong and the PRC.

The Group has been diversifying its business into the property development and property investment in the PRC. The Board believes that the Acquisition provides an excellent investment opportunity for the Group to establish its position in the property market in Kunming, the PRC. The Directors consider that the Acquisition is in the interests of the Company and its Shareholders as a whole and the terms thereof are on normal commercial terms which are fair and reasonable.

Listing Rules Implications

On the basis that the applicable percentage ratios in respect of the Acquisition are greater than 25% while all such ratios are less than 100% for the purposes of Rule 14.07 of the Listing Rules, the Acquisition constitutes a major transaction for the Company under the Listing Rules.

The Acquisition is regarded as a Qualified Property Acquisition under Rule 14.04(10C) of the Listing Rules as it involves acquisition of governmental lands in the PRC from a PRC Governmental Body (as defined under Rule 19A.04 of the Listing Rules) through a tender, auction or listing-for-sale governed by PRC Law (as defined under Rule 19A.04 of the Listing Rules). The Board confirms that the Acquisition is in the Group's ordinary and usual course of business and the Acquisition is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Acquisition is subject to reporting and announcement requirements and is exempt from shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules.

LETTER FROM THE BOARD

3. GENERAL

Your attention is also drawn to the financial information of the Group and general information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Peking University Resources (Holdings) Company Limited
Zhang Zhao Dong
Chairman

1. CONSOLIDATED FINANCIAL STATEMENTS

The unaudited financial information of the Group for the six months ended 30 June 2015 are set out on pages 3 to 28 in the Interim Report 2015 of the Company, which was published on 23 September 2015 at the Company's website www.pku-resources.com. Please also see below a quick link to the Interim Report 2015:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0923/LTN20150923543.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2014 are set out on pages 63 to 154 in the Annual Report 2014 of the Company, which was published on 28 April 2015. The Annual Report 2014 is also posted on the Company's website www.pku-resources.com. Please also see below a quick link to the Annual Report 2014:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0428/LTN201504281000.PDF>

The audited consolidated financial statements of the Group for the year ended 31 December 2013 are set out on pages 47 to 142 in the Annual Report 2013 of the Company, which was published on 25 April 2014. The Annual Report 2013 is also posted on the Company's website www.pku-resources.com. Please also see below a quick link to the Annual Report 2013:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0425/LTN20140425376.pdf>

The audited consolidated financial statements of the Group for the year ended 31 December 2012 are set out on pages 29 to 95 in the Annual Report 2012 of the Company, which was published on 24 April 2013. The Annual Report 2012 is also posted on the Company's website www.irasia.com/listco/hk/ecfounder. Please also see below a quick link to the Annual Report 2012:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0424/LTN20130424458.pdf>

2. INDEBTEDNESS

At the close of business on 31 August 2015, being the latest practicable date for the purpose of the indebtedness statement prior to the printing of this circular, the Group had outstanding borrowings of approximately HK\$14,799 million which comprised unsecured bank loans and other borrowings of approximately HK\$10,933 million and secured bank loans and other borrowings of approximately HK\$3,866 million.

The above unsecured loans included bank loans of approximately HK\$5,619 million guaranteed by PKU Resources Group, a substantial shareholder of the Company; other loans of approximately HK\$1,026 million guaranteed by PKU Resources Group; unsecured other loans of approximately HK\$424 million borrowed from PKU Resources Group directly. The above secured loans included bank loans of approximately HK\$134 million secured by certain of the Group's properties under development; bank loans of approximately HK\$428 million secured by pledge of deposits; other loans of approximately HK\$231 million secured

by certain of the Group's properties under development and properties held for sale; other loans of approximately HK\$2,038 million secured by certain of the Group's properties under development; other loans of approximately HK\$638 million secured by certain of the Group's properties held for sale; and other loans of approximately HK\$397 million secured by pledge of deposits.

As at the close of business on 31 August 2015, the Group provided a guarantee of approximately HK\$3,698 million in respect of mortgage facilities for certain purchasers of the Group's properties sold to these purchasers. Save as disclosed above and apart from intra-group liabilities, the Group did not have, at the close of business on 31 August 2015, any debt securities issued and outstanding or agreed to be issued, bank borrowings or other similar indebtedness, mortgages and charges, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

After due and careful consideration, the Directors are of the opinion that, taking into account the Group's internal resources, available banking facilities and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its present requirements for the period of twelve months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since 31 December 2014, being the date to which the latest published audited consolidated accounts of the Company were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In the coming financial year, the Group will continue to be engaged in property development and property investment in the PRC and the distribution of information products in Hong Kong and the PRC.

For the property development and property investment in the PRC, the management team has been exploring business opportunities to expand the Group's operation and enhance its earnings. The management team is actively looking for suitable investments opportunities from time to time to diversify its existing business portfolio and to broaden its source of income.

As to the distribution of information products, the management will continuously refine its product structure to avoid product overlapping and minimize market risk. The Group will focus on the distribution of information products with higher profit margin and exploring the more profitable value-added service business. Moreover, the management will also place stronger emphasis on operating cash flow, stringent control on working capital such as trade receivables and payables and inventory and cost management. The Group will continue to look for alliance with other international information products suppliers and investment opportunities.

6. FINANCIAL EFFECT OF THE ACQUISITION AND THE RESETTLEMENT

Immediately upon the Acquisition and the Resettlement and assuming HK\$1,932.7 million to be satisfied by bank borrowings and loan from substantial shareholder or its related companies, the total assets and the total liabilities of the Group will be increased by HK\$1,932.7 million. The Company considers that there will not be any material effect on the earnings of the Group immediately upon the Acquisition and the Resettlement.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules 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 circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS BY DIRECTORS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules, were as follows:

(a) Long positions in the Shares of the Company under the SFO

Name of Director	Number of ordinary shares held, capacity and nature of Interest			Total	Percentage of the Company's issued share capital
	Directly beneficially owned	Through controlled corporation <i>(Note)</i>			
Mr Zhang Zhao Dong	14,470,050	–	14,470,050	0.24%	
Mr Zheng Fu Shuang	200,019,000	584,984,000	785,003,000	13.11%	
Mr Xie Ke Hai	10,514,050	–	10,514,050	0.18%	

Note: Mr Zheng Fu Shuang is interested in 584,984,000 shares through Starry Nation Limited, a company which is ultimately beneficially owned by Mr Zheng Fu Shuang.

(b) Short positions in the Shares of the Company under the SFO

Name of director	Number of ordinary shares held, capacity and nature of interest		Percentage of the Company's issued share capital
	Through controlled corporation		
Mr Zheng Fu Shuang <i>(Note)</i>		100,000,000	1.67%

Note: Mr Zheng Fu Shuang is interested in these shares through Starry Nation Limited, a company which is ultimately beneficially owned by Mr Zheng Fu Shuang.

(c) **Directors' rights to acquire shares in the Company and any of its associated corporations***Directors' interests in share options of the Company*

Name of Directors	Number of share options held	Date of grant of share options	Exercise period of share options	Exercise price of share options (HK\$)
Mr Fang Hao	16,339,690	10.6.2013	10.6.2014 to 9.6.2016	0.910
Mr Zhou Bo Qin	16,339,690	10.6.2013	10.6.2014 to 9.6.2016	0.910
Mr Zhang Zhao Dong	16,339,690	10.6.2013	10.6.2014 to 9.6.2016	0.910
Mr Xie Ke Hai	16,339,690	10.6.2013	10.6.2014 to 9.6.2016	0.910

Save as disclosed in this paragraph, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules.

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2014, being the date to which the latest published audited consolidated accounts of the Company were made up.

No Director was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant in relation to the business of the Group taken as a whole.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, other than a Director or chief executive of the Company, the following persons had interests or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name	Notes	Capacity and nature of interest	Long positions		Short positions	
			Number of ordinary shares held	Percentage of the Company's issued share capital	Number of ordinary shares held	Percentage of the Company's issued share capital
北大資產經營有限公司 (Peking University Asset Management Company Limited*)	1	Through a controlled corporation	3,950,134,407	65.96%	–	–
PKU Resources Group	2	Through a controlled corporation	3,950,134,407	65.96%	–	–
PKU Resources Holdings	3	Through a controlled corporation	3,950,134,407	65.96%	–	–
Peking Founder	4	Through a controlled corporation	3,950,134,407	65.96%	–	–
Founder Information	5	Directly beneficially owned	3,850,134,407	65.96%	–	–
		Through a controlled corporation	100,000,000	1.67%	–	–
Zheng Fu Shuang	6	Through a controlled corporation	785,003,000	13.11%	100,000,000	1.67%
Shine Crest Group Limited	7	Through a controlled corporation	584,984,000	9.77%	100,000,000	1.67%
Starry Nation Limited		Directly beneficially owned	584,984,000	9.77%	100,000,000	1.67%
Rongtong Fund Management Co. Ltd.	8	Through a controlled corporation	575,076,000	9.60%	–	–
Rongtong Ronghai No. 10 SNIA QDII		Directly beneficially owned	575,076,000	9.60%	–	–

* For identification purpose only

Notes:

1. Peking University Asset Management Company Limited is deemed to be interested in the 3,950,134,407 shares of the Company under the SFO by virtue of its interest in PKU Resources Group.
2. PKU Resources Group is deemed to be interested in the 3,950,134,407 shares of the Company under the SFO by virtue of its interest in PKU Resources Holdings.
3. PKU Resources Holdings is deemed to be interested in the 3,950,134,407 shares of the Company under the SFO by virtue of its interest in Founder Information.
4. Peking Founder is deemed to be interested in the 3,950,134,407 shares of the Company under the SFO by virtue of its interest in Founder Information.
5. Founder Information is interested in the 3,950,134,407 shares of the Company, out of which (i) 427,906,976 shares are to be allotted and issued upon exercise of convertible bonds; and (ii) 100,000,000 shares are charged to Fountain Luck Holdings Limited, which is indirectly wholly owned by Founder Information, by Starry Nation Limited.
6. Zheng Fu Shuang is interested in 785,003,000 shares of the Company, out of which 200,019,000 shares are held directly by Zheng Fu Shuang and 584,984,000 shares are held through Starry Nation Limited. The 100,000,000 shares of the Company held by Starry Nation Limited are charged to Fountain Luck Holdings Limited, which is indirectly wholly owned by Founder Information, and are classified as a short position of Starry Nation Limited under the SFO.
7. Shine Crest Group Limited is deemed to be interested in the 584,984,000 shares of the Company under the SFO by virtue of its interest in Starry Nation Limited.
8. Rongtong Fund Management Co. Ltd. is deemed to be interested in 575,076,000 shares of the Company under the SFO by virtue of its interest in Rongtong Ronghai No. 10 SNIA QDII.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, other than a Director or chief executive of the Company, no persons had interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or any options in respect of such capital.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation, other than statutory compensation).

5. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business of the Group) have been entered into by members of the Group which is or may be material within the two years immediately preceding the date of this circular:

- (i) the sale and purchase agreement dated 16 September 2014 and entered into among the Company, Beijing Tianranju, Fine Noble Global Limited, Peking University Resources Group Property Co., Limited, Peking Founder, Founder Information, Starry Realm Limited, Peking University Resources Group Holdings and Peking University Resources Group, pursuant to which the Company and Beijing Tianranju have agreed to acquire entire issued shares in Extol High Enterprises Limited, Keen Delight Global Limited, Chongqing Peking University Resources Property Co., Limited, Chengdu Peking University Resources Property Co., Limited, Guiyang Peking University Resources Property Co., Limited and Qingdao Peking University Resources Property Co., Limited at total consideration of HK\$1,934 million, including its amendments and supplemental from time to time;
- (ii) the placing agreement entered into between the Company and DBS Asia Capital Limited dated 30 November 2014;
- (iii) the conditional equity and project transfer framework agreement dated 16 February 2015 entered into among Qingdao Boya Huafu Property Co., Limited* (青島博雅華府置業有限公司), CITIC Shenzhen (Group) Co., Limited and its connected persons, Qingdao Bolai Property Co., Limited* (青島博萊置業有限公司), the Company, Hong Kong Tianranju Holdings Limited, Tibet Zhao Rong Investment Co., Ltd. (西藏昭融投資有限公司) and Qingdao Bofu Property Co., Limited* (青島博富置業有限公司), for the sale of 100% equity interest in Qingdao Bolai Property Co., Limited* (青島博萊置業有限公司) and 100% equity interest in Hongkong Tianranju Holdings Limited;
- (iv) the conditional provisional sale and purchase agreement dated 16 February 2015 entered into among Qingdao Boya Huafu Property Co., Limited* (青島博雅華府置業有限公司), CITIC Shenzhen (Group) Co., Limited and its connected persons, Qingdao Bolai Property Co., Limited* (青島博萊置業有限公司), the Company, Hong Kong Tianranju Holdings Limited, Tibet Zhao Rong Investment Co., Ltd. (西藏昭融投資有限公司) and Qingdao Bofu Property Co., Limited* (青島博富置業有限公司), for the sale of 100% equity interest in Qingdao Bolai Property Co., Limited* (青島博萊置業有限公司); and
- (v) the conditional provisional sale and purchase agreement dated 10 March 2015 entered into among Qingdao Boya Huafu Property Co., Limited* (青島博雅華府置業有限公司), CITIC Real Estate (Hong Kong) Development Limited, Qingdao Bolai Property Co., Limited and its connected persons, the Company, Hong Kong Tianranju Holdings Limited, Tibet Zhao Rong Investment Co., Ltd. (西藏昭融投資有限公司) and Qingdao Bofu Property Co., Limited* (青島博富置業有限公司), for the sale of 100% equity interest in Hong Kong Tianranju Holdings Limited.

* For identification purpose only

6. LITIGATION AND CLAIMS

As at the Latest Practicable Date, neither the Company nor any other member of the Group was engaged in any litigations or claims and no litigations or claims of material importance is pending or threatened against the Company or any member of the Group.

7. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates had any personal interests in companies engaged in businesses, which compete or may compete with the Group.

8. GENERAL

The English text of this circular shall prevail over the Chinese text in case of inconsistency.

The company secretary of the Company is Ms Tang Yuk Bo, Yvonne, ACS, ACIS.

The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and its principal place of business in Hong Kong is situated at Unit 1408, 14th Floor, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong. The transfer office of the Company is situated at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.

The English text of this circular shall prevail over the Chinese text in case of inconsistency.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection at the principal place of business of the Company in Hong Kong at Unit 1408, 14th Floor, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong during normal business hours on any weekday (public holidays excluded) from the date of this circular up to and including 30 October 2015:

- (i) the bye-laws of the Company;
- (ii) the annual reports of the Company for the three years ended 31 December 2012, 2013 and 2014;
- (iii) the interim report of the Company for the six months ended 30 June 2015;
- (iv) the material contracts referred to in the paragraph headed "Material contracts" in this appendix; and
- (v) this circular.