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If you are in any doubt as to any aspect of this circular, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Peking University Resources (Holdings) Company Limited**, you should at once hand this circular and the accompanying form of proxy 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)

**CONTINUING CONNECTED TRANSACTIONS:
TECHNICAL SUPPORT SERVICES AGREEMENT**

**Independent Financial Adviser
to the Independent Board Committee and the Independent Shareholders**

MESSIS  **大有融資**

A letter from the board of directors of Peking University Resources (Holdings) Company Limited is set out on pages 5 to 11 of this circular. A letter from the Independent Board Committee (as defined herein) of the Company is set out on pages 12 to 13 of this circular. A letter from Messis Capital Limited containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 14 to 23 of this circular.

A notice convening the special general meeting to be held at 11:30 a.m. on Thursday, 31 August 2017 at Crystal Room IV, 3rd floor, Panda Hotel, 3 Tsuen Wah Street, Tsuen Wan, New Territories, Hong Kong is set out on page 30 to 31 of this circular. Whether or not you are able to attend the special general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible to the principal place of business of the Company at Unit 1408, 14th Floor, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong and in any event not later than 48 hours before the time of the special general meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting should you so wish.

11 August 2017

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DEFINITIONS

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

“Announcement”	the announcement made by the Company dated 21 July 2017
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Peking University Resources (Holdings) Company Limited (北大資源(控股)有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00618)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Effective Date”	the effective date of the Technical Support Services Agreement, which is upon the duly execution of the Technical Support Services Agreement by PKU Resources Group and the Company as well as the approval of the Technical Support Services Agreement by the Board
“Founder Information”	Founder Information (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company
“Group”	the Company and its subsidiaries
“HK\$”	mean Hong Kong dollars
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Board Committee”	an independent board committee of the Company comprising all of the three independent non-executive Directors, namely Mr Li Fat Chung, Ms Wong Lam Kit Yee and Mr Chan Chung Kik, Lewis, formed for the purpose of considering the terms of the Technical Support Services Agreement and its proposed annual caps and advising and making recommendation to the Independent Shareholders as to how to vote at the SGM
“Independent Financial Adviser”	Messis Capital Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Technical Support Services Agreement (including its annual caps for the three years ending 31 December 2019)
“Independent Shareholders”	the shareholders of the Company other than Founder Information
“Latest Practicable Date”	8 August 2017, 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
“Master Entrusted Management and Consultancy Agreement”	a master entrusted management and consultancy agreement dated 27 August 2015 entered into between the Company and PKU Resources Group
“Peking Founder”	北大方正集團有限公司 (Peking University Founder Group Company Limited*), a company established in the PRC with limited liability and the shareholder of Founder Information, which holds approximately 46.36% of the issued share capital of Founder Information
“Peking Founder Group”	Peking Founder and its subsidiaries
“PKU Resources Group”	北大資源集團有限公司 (Peking University Resources Group Co., Ltd.*), a company established in the PRC with limited liability

DEFINITIONS

“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“Sales Contracts Amount”	the aggregate amount of sales contracts in relation to sale of units (including any pre-sale and completed units) under property development projects
“Sales Receipt”	the aggregate amount of any deposit, down payment, mortgage amount and other amounts received in relation to sale of units (including any pre-sale and completed units) under property development projects
“Services”	the management and consultancy services on various matters to be provided by the Company to the PKU Resources Group under the Technical Support Services Agreement, including (i) planning and design; (ii) quality control and management; (iii) cost management; (iv) project development, construction and operation management; (v) safety production and management; (vi) other services, as required in the project development, construction, operation and management of property development projects of the PKU Resources Group
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held for the Independent Shareholders to consider and approve, if thought fit, the Technical Support Services Agreement (including its annual caps for the three years ending 31 December 2019)
“Shareholder(s)”	Holder(s) of ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Technical Support Services Agreement”	a technical support services agreement dated 21 July 2017 entered into between the Company and PKU Resources Group

DEFINITIONS

“%” per cent.

For illustrative purpose only, RMB is converted into HK\$ at an exchange rate of RMB1=HK\$1.146 in this circular.

** For identification purpose only*

LETTER FROM THE BOARD



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)

Executive Directors:

Mr Cheung Shuen Lung (*Chairman*)

Mr Zeng Gang (*President*)

Ms Sun Min

Mr Shi Hua

Ms Liao Hang

Mr Zheng Fu Shuang

Independent non-executive Directors:

Mr Li Fat Chung

Ms Wong Lam Kit Yee

Mr Chan Chung Kik, Lewis

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

11 August 2017

To the Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS:
TECHNICAL SUPPORT SERVICES AGREEMENT**

1. INTRODUCTION

Reference is made to the Announcement in relation to the transactions contemplated under the Technical Support Services Agreement.

The purpose of this circular is to provide you with, among other things, (i) details of the transactions contemplated under of the Technical Support Services Agreement (including its respective proposed annual caps); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Technical Support Services Agreement and its respective proposed annual caps; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in

LETTER FROM THE BOARD

respect of the Technical Support Services Agreement and its respective proposed annual caps; and (iv) a notice convening the SGM to the Shareholders.

2. CONNECTED RELATIONSHIP

PKU Resources Group is the holding company of Founder Information which is the controlling shareholder of the Company. Accordingly, the transactions contemplated under the Technical Support Services Agreement will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

3. THE TECHNICAL SUPPORT SERVICES AGREEMENT

On 27 August 2015, the Company entered into the Master Entrusted Management and Consultancy Agreement with PKU Resources Group pursuant to which the Group agreed to provide a number of services to PKU Resources Group for a term up to 31 December 2017. As the Directors expect that the service fee under the Master Entrusted Management and Consultancy Agreement for the year ending 31 December 2017 will exceed the proposed annual cap, on 21 July 2017, the Company and PKU Resources Group entered into the Technical Support Services Agreement to replace the Master Entrusted Management and Consultancy Agreement, pursuant to which the Company agreed to provide the Services to PKU Resources Group and its associates for a term up to 31 December 2019.

Principal terms of the Technical Support Services Agreement

The principal terms of the Technical Support Services Agreement, among others, are set out below:

Parties:	(1) PKU Resources Group
	(2) the Company
Condition precedent:	the Company complies with the relevant requirements of the Listing Rules with respect to the Technical Support Services Agreement
Term:	from the Effective Date to 31 December 2019

LETTER FROM THE BOARD

Scope of the Services: The Company will provide management and consultancy services on various matters to the PKU Resources Group, including (i) planning and design; (ii) quality control and management; (iii) cost management; (iv) project development, construction and operation management; (v) safety production and management; (vi) other services, as required in the project development, construction, operation and management of property development projects of the PKU Resources Group

Service fee and payment term: subject to the annual caps below, service fees are payable by the PKU Resources Group to the Company once every financial year, charged at 1% of the Sales Contracts Amount generated by the PKU Resources Group for the same financial period

Annual Caps

Historical Transaction Amounts and Proposed Caps

The historical figures, the historical annual caps in respect of the Master Entrusted Management and Consultancy Agreement and the proposed annual caps in respect of the Technical Support Services Agreement are as follows:

	Year ended 31 December 2015	Year ended 31 December 2016	Year ending 31 December 2017	Year ending 31 December 2018	Year ending 31 December 2019
Historical figures					
<i>RMB million</i>	5.30	18.76	N/A	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	6.13	21.50	N/A	N/A	N/A
Historical annual caps					
<i>RMB million</i>	40	40	40	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	45.84	45.84	45.84	N/A	N/A
Proposed annual caps					
<i>RMB million</i>	N/A	N/A	100	180	270
<i>HK\$ million</i> <i>(approximately)</i>	N/A	N/A	114.60	206.28	309.42

The scope of the Services of the Technical Support Services Agreement is similar to that of the Master Entrusted Management and Consultancy Agreement. The major difference between

LETTER FROM THE BOARD

the Master Entrusted Management and Consultancy Agreement and the Technical Support Services Agreement is that under Master Entrusted Management and Consultancy Agreement, the services fee are payable by the PKU Resources Group to the Company once every financial year charged at 1% of the Sales Receipt, while under the Technical Support Services Agreement, the service fees are payable by the PKU Resources Group to the Company once every financial year, charged at 1% of the Sales Contracts Amount generated by the PKU Resources Group for the same financial period. The change of basis is due to service fee is charged at the earlier stage of sales contracts to better match with efforts made by the Group.

The proposed annual caps are derived based on (i) the selling floor area and sales amount of existing property development projects of PKU Resources Group, mainly residential and commercial properties in Wuhan, Dongguan, Chengdu, Guangzhou, Guiyang, Hangzhou, Nanjing, Yichang and Chongqing, which will be sold during 2017 to 2019; (ii) the selling floor area and sales amount of estimated property development projects of PKU Resources Group, mainly feature town in Yancheng, Hainan, Zhangzhou and others, which will be sold during 2019; and (iii) estimated trend of the PRC property market prices for the years from 2017 to 2019 taken into account the historical price and increment. The proposed annual caps for the year ending 31 December 2017 increased by more than 100% as compared to the historical annual caps for the year ending 31 December 2017 due to estimated increase in number of property development projects of PKU Resources Group.

Reasons and benefits of the Technical Support Services Agreement

In an effort to integrate property development projects from PKU Resources Group into the Group and minimize competition between the Company and its controlling shareholders, the Technical Support Services Agreement offers an opportunity for the Group to participate in the property development projects of PKU Resources Group. In addition, the technical support service is a less risky option for the Group to take part in property development projects without the need to incur additional costs and time involved in due diligence exercise. The Group will also benefit from such an arrangement in terms of additional revenue stream and economies of scale which would maximise cost efficiency and management effectiveness. Further, it will provide a platform for the Group to build a strong and experienced management team to operate its new property development projects and make full use of existing resources.

For the reasons stated above, the Directors (including the independent non-executive Directors) are of the view that transactions under the Technical Support Services Agreement are fair and reasonable and in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. As Mr Zeng Gang and Ms. Sun Min are concurrently serving as directors of PKU Resources Group, they had abstained from voting on the resolution considering the Technical Support Services Agreement at the Board meeting of the Company. Saved as disclosed above, none of the other Directors has a material interest in the transactions contemplated under the Technical Support Services Agreement.

LETTER FROM THE BOARD

Information of the Parties

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.

PKU Resources Group is a comprehensive real estate holding group specialized in real estate development, educational investment, commercial real estate operation, and property operation and management.

Listing Rules Implications

As at the Latest Practicable Date, PKU Resources Group is the holding company of Founder Information which is the controlling shareholder of the Company. Accordingly, the transactions contemplated under the Technical Support Services Agreement will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

As one of the percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the transactions contemplated under the Technical Support Services Agreement, on an annual basis, exceeds 5% and the annual caps for the above transactions exceed HK\$10,000,000, the transactions contemplated under the Technical Support Services Agreement constitute non-exempt continuing connected transactions for the Company and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

4. SGM

A notice convening the SGM to be held at 11:30 a.m. on Thursday, 31 August 2017 at Crystal Room IV, 3rd floor, Panda Hotel, 3 Tsuen Wah Street, Tsuen Wan, New Territories, Hong Kong is set out on pages 30 to 31 of this circular for the purpose of considering and, if thought fit, passing the ordinary resolution in relation to the Technical Support Services Agreement and its proposed annual caps. Founder Information, being the controlling shareholder of the Company, together with its associates, and all parties involved or interested in the Technical Support Services Agreement are required to abstain from voting with respect to the resolution for approving the Technical Support Services Agreement and its proposed annual caps.

The ordinary resolution to be proposed at the SGM will be determined by way of poll by the Independent Shareholders. Founder Information held 3,422,227,431 issued shares of the Company and controlled the voting rights of such shares, representing approximately 57.15% of the issued share capital of the Company as at the Latest Practicable Date, is required to abstain from voting at the SGM in respect of the ordinary resolution. A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same as soon as possible to the principal place of business of the Company at Unit 1408, 14th Floor, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, New

LETTER FROM THE BOARD

Territories, Hong Kong and in any event not less than 48 hours before the time scheduled for the holding of the SGM or any adjournments thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournments thereof should you so desire.

5. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determination of entitlement to attend and vote at the SGM to be held on Thursday, 31 August 2017, the register of members of the Company will be closed from Friday, 25 August 2017 to Thursday, 31 August 2017 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the SGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 24 August 2017.

6. RECOMMENDATION

The Independent Board Committee, which comprises all three independent non-executive Directors, has been established to advise the Independent Shareholders in connection with the terms of the transactions contemplated under the Technical Support Services Agreement (including the proposed annual caps for the three years ending 31 December 2019).

Messis Capital Limited has been appointed to advise the Independent Board Committee and the Independent Shareholders respectively on the Technical Support Services Agreement (including the proposed annual caps for the three years ending 31 December 2019).

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, is of the view that the transactions contemplated under the Technical Support Services Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, and that the terms of the transactions contemplated under the Technical Support Services Agreement and the proposed annual caps for the three years ending 31 December 2019 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the ordinary resolution set out in the notice of SGM enclosed to this circular.

LETTER FROM THE BOARD

7. GENERAL

Your attention is also drawn to the letter from the Independent Board Committee, the letter from the Independent Financial Adviser and the additional information set out in the Appendix to this circular and the notice of SGM.

Yours faithfully,
For and on behalf of the Board
Peking University Resources (Holdings) Company Limited
Cheung Shuen Lung
Chairman



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)

11 August 2017

To the Independent Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS:
TECHNICAL SUPPORT SERVICES AGREEMENT**

We refer to the circular dated 11 August 2017 issued by the Company (the “Circular”) of which this letter forms part. Terms used in this letter shall bear the same meanings as given to them in the Circular unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider the Technical Support Services Agreement (including the respective proposed annual caps for the three years ending 31 December 2019) which require approval by the Independent Shareholders and to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the transactions contemplated under the Technical Support Services Agreement and to recommend how the Independent Shareholders should vote at the SGM. Messis Capital Limited has been appointed to advise us, the Independent Board Committee in relation to the Technical Support Services Agreement (including the respective proposed annual caps for the three years ending 31 December 2019).

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 11 of the Circular, and the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice in respect of the Technical Support Services Agreement (including the respective proposed annual caps for the three years ending 31 December 2019), as set out on pages 14 to 23 of the Circular.

Having taken into account the principal factors and reasons considered by the Independent Financial Adviser and its conclusion and advice, we consider that the transactions contemplated under the Technical Support Services Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, and that the terms of the transactions contemplated under the Technical Support Services Agreement and the respective proposed annual caps for the three years ending 31 December 2019 are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the SGM to approve the transactions contemplated under the Technical Support Services Agreement and the respective proposed annual caps of such transactions for the three years ending 31 December 2019.

Yours faithfully,
Independent Board Committee

Li Fat Chung
*Independent non-executive
Director*

Wong Lam Kit Yee
*Independent non-executive
Director*

Chan Chung Kik, Lewis
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter from the Independent Financial Adviser in connection with the advice to the Independent Board Committee and the Independent Shareholders prepared for the purpose of inclusion in this circular.



Room 1606, 16/F.
Tower 2, Admiralty Centre
18 Harcourt Road
Hong Kong

11 August 2017

To: The Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION: TECHNICAL SUPPORT SERVICES AGREEMENT

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the terms of the Services contemplated under the Technical Support Services Agreement and the proposed annual caps for each of the three years ending 31 December 2019 (the “**Proposed Annual Caps**”), details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular of the Company to the Shareholders dated 11 August 2017 (the “**Circular**”), of which this letter forms part. Capitalized terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

On 27 August 2015, the Company entered into the Master Entrusted Management and Consultancy Agreement with PKU Resources Group pursuant to which the Group agreed to provide a number of services to PKU Resources Group for a term up to 31 December 2017. As the Directors expect that the service fee under the Master Entrusted Management and Consultancy Agreement for the year ending 31 December 2017 will exceed the proposed annual cap, on 21 July 2017, the Company and PKU Resources Group entered into the Technical Support Services Agreement to replace the Master Entrusted Management and Consultancy Agreement, pursuant to which the Company agreed to provide the Services to PKU Resources Group and its associates for a term up to 31 December 2019.

As at the Latest Practicable Date, PKU Resources Group is the holding company of Founder Information which is the controlling shareholder of the Company. Accordingly, the transactions contemplated under the Technical Support Services Agreement will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules. As one of the percentage ratios (as defined under Rule 14.07 of the Listing Rules) for the transactions contemplated under the Technical Support Services Agreement, on an annual basis,

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

exceeds 5% and the annual caps for the above transactions exceed HK\$10,000,000, the transactions contemplated under the Technical Support Services Agreement constitute non-exempt continuing connected transactions for the Company and are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising of all the independent non-executive Directors, namely Mr Li Fat Chung, Ms Wong Lam Kit Yee and Mr Chan Chung Kik, Lewis, has been set up to advise the Independent Shareholders in relation to the Services contemplated under the Technical Support Services Agreement (including the Proposed Annual Caps). We, Messis Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

As at the Latest Practicable Date, we did not have any relationship with or interests in the Company or any other parties that could reasonably be regarded as relevant to our independence. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Company. During the past two years, we have not acted as the independent financial adviser to the Company's other transactions. As such, we consider that we are independent from the Company pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR ADVICE AND RECOMMENDATIONS

In arriving at our recommendations, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the management of the Company. We have assumed that all information and representations contained or referred to in the Circular and all information and representations which have been provided by the management of the Company are true and accurate at the time they were made and will continue to be accurate as at the date of the despatch of the Circular. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed by them in the Circular have been arrived at after due and careful consideration and there are no other material facts not contained in the Circular, the omission of which would make any such statement made by them that contained in the Circular misleading in all material respects. We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however,

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

carried out any independent verification of the information provided by the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties to the Technical Support Services Agreement.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Technical Support Services Agreement and the transaction contemplated thereunder, as well as the Proposed Annual Caps. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendations to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. Background information of the Group and PKU Resources Group

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. During the year ended 31 December 2016, the Group started construction of 6 new projects and pre-sale of 7 projects with 23 projects under construction in aggregate and a total of 22 projects on sale. As at 31 December 2016, the Group had 28 property development projects and 1 hold-type property project in 15 cities across China, including Chengdu, Chongqing, Kunming, Guiyang, Tianjin, Kaifeng, Qingdao, Wuhan, Ezhou, Kunshan, Hangzhou, Changsha, Zhuzhou, Foshan and Dongguan, with a land bank of 4,848,433 sq.m..

The table below sets out the key financial information of the Group for the two years ended 31 December 2016 as extracted from the Company's annual report for the year ended 31 December 2016 (the "Annual Report").

	For the year ended/ As at 31 December	
	2016 (Audited) HK\$'000	2015 (Audited) HK\$'000
Revenue	15,394,302	7,804,286
Profit/(loss) before income tax	105,784	(6,639)
Loss for the year	(452,720)	(272,361)
Total assets	49,212,683	43,850,474
Net assets	1,888,413	2,464,730

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The table below sets out the key operating information of property development segment of the Group for the year ended 31 December 2016 as extracted from the Annual Report.

	For the year ended/ As at 31 December	
	2016 (Audited) HK\$'000	2015 (Audited) HK\$'000
Property development segment		
Segment revenue	9,622,965	3,284,048
Segment results	258,643	82,967
Segment assets	43,671,880	37,470,560

According to the Annual Report, property development is the Group's core business and this segment is the largest operating segment of the Group. The segment revenue and segment assets represented approximately 63% and 89% of total revenue and total assets of the Group, respectively, for the year ended and as at 31 December 2016. The Group's revenue for the year ended 31 December 2016 increased significantly by 97.3% to approximately HK\$15,394.3 million mainly as a result of expansion of property development business. The results of property development segment recorded a profit of approximately HK\$83.0 million and HK\$258.6 million for the year ended 31 December 2015 and 2016, respectively. The improvement in the segment results was due to net effect of increase in revenue, provision against properties under development and provision against properties held for sale during the year ended 31 December 2016, and gain on disposal of subsidiaries of approximately HK\$739.0 million for the year ended 31 December 2015.

PKU Resources Group is a comprehensive real estate holding group specialized in real estate development, educational investment, commercial real estate operation, and property operation and management. According to the information provided by the Group, PKU Resources Group had 10 property development projects in over 8 cities located all around the PRC as at 31 December 2016.

2. Reasons for and benefits of entering into the Technical Support Services Agreement

On 27 August 2015, the Company entered into the Master Entrusted Management and Consultancy Agreement with PKU Resources Group pursuant to which the Group agreed to provide a number of services to PKU Resources Group for a term up to 31 December 2017. As the Directors expect that the service fee under the Master Entrusted Management and Consultancy Agreement for the year ending 31 December 2017 will exceed the proposed annual cap, on 21 July 2017, the Company and PKU Resources Group entered into the Technical Support Services Agreement to replace the Master Entrusted Management and Consultancy Agreement, pursuant to which the Company agreed to provide the Services to PKU Resources Group and its associates for a term up to 31 December 2019.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As set out above, both the Group and PKU Resources Group are engaging in property development industry with primary focus in the PRC market, we concur the views of the Directors that opportunities of synergy and collaboration exist among the Group and PKU Resources Group. Furthermore, sharing of existing resources of the Group could offer economics of scale and further enhance cost efficiency and management effectiveness among the Group and PKU Resources Group.

As set out in the Board Letter, pursuant to the Technical Support Services Agreement, the Company will provide management and consultancy services on various matters to the PKU Resources Group, including (i) planning and design; (ii) quality control and management; (iii) cost management; (iv) project development, construction and operation management; (v) safety production and management; (vi) other services, as required in the project development, construction, operation and management of property development projects of the PKU Resources Group.

As advised by the management of the Group, the Group will benefit from entering into the Technical Support Services Agreement as follows:

- (i) Entering into the Technical Support Services Agreement provides the Group an effort to integrate property development projects from PKU Resources Group into the Group and minimize competition between the Company and its controlling shareholders. As the Technical Support Services Agreement could combine the tendering process between PKU Resources Group and the Group, the Services to be provided would avoid unnecessary efforts used and minimize competition between the Group and PKU Resources Group;
- (ii) the Technical Support Services Agreement offers an opportunity for the Group to participate in the property development projects of PKU Resources Group. Since specific kind of property development projects are required to be owned under the name of PKU Resources Group pertaining to legal restrictions, for instance projects of sizable commercial and industry properties, the Group has the opportunity to be involved in this nature of property development projects through the Services to be provided under the Technical Support Services Agreement;
- (iii) entering into the Technical Support Services Agreement is a less risky option for the Group to take part in property development projects without the need to incur additional costs and time involved in due diligence exercise. While PKU Resources Group being owner of the property development projects, the Group would act as merely a service provider on those projects, which incurs a relatively lesser amount of project risks and due diligence efforts rather than the Group being owner of the same projects;
- (iv) the Group will benefit from the Technical Support Services Agreement in terms of additional revenue stream and economies of scale which would maximize cost efficiency and management effectiveness. By way of sharing existing resources of the

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Group with the property development projects arising from PKU Resources Group, including staff, facilities and assets, the Group could be in result of enjoying a larger extent of economies of scale. As advised by the management of the Group, for the year ended 31 December 2016, the Group recorded income of approximately HK\$21,848,000 under “Other income” of the Group’s financial statements in accordance with the Master Entrusted Management and Consultancy Agreement; and

- (v) entering into the Technical Support Services Agreement will provide a platform for the Group to build a strong and experienced management team to operate its new property development projects and make full use of existing resources. Part of property development projects from PKU Resources Group are different from that of the Group in terms of land use, location and target price, in particular, projects of commercial, industry and feature town properties, which could eventually enrich experience of the operation and management teams of the Group as a whole.

Having considered that (i) both the Group and PKU Resources Group are engaging in property development industry; (ii) the Services provided by the Group are mainly for project development, construction, operation and management of property development projects of the PKU Resources Group; and (iii) aforementioned benefits could be enjoyed by the Group from entering into the Technical Support Services Agreement, we concur the views of the Directors that entering into the Technical Support Services Agreement is in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

3. Principal terms of the Technical Support Services Agreement

The principal terms of the Technical Support Services Agreement, among others, are set out below:

Parties:	(1) PKU Resources Group
	(2) the Company
Condition precedent:	the Company complies with the relevant requirements of the Listing Rules with respect to the Technical Support Services Agreement
Term:	from the Effective Date to 31 December 2019

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Scope of the Services: the Company will provide management and consultancy services on various matters to the PKU Resources Group, including (i) strategy and investment; (ii) project development; (iii) operation and management of investment properties; (iv) financial management; (v) day-to-day operation management; and (vi) other services as required in the day-to-day operation management, project development and construction and operation and management of investment properties of the PKU Resources Group

Service fee and payment term: subject to the annual caps below, service fees are payable by the PKU Resources Group to the Company once every financial year, charged at 1% of the Sales Contracts Amount generated by the PKU Resources Group for the same financial period

In assessing the fairness and reasonableness of the service fee (i.e. charged at 1% of the Sales Contracts Amount generated by the PKU Resources Group for the same financial period) under the Technical Support Services Agreement, we have obtained and reviewed a calculation table from the management of the Group presenting the historical percentage of expenses in terms of Sales Contracts Amount in relation to respective property development projects. Based on the information available to us, we are given to understand that the cost incurred for the provision of Services amounted to approximately 1% to the Sales Contracts Amount for two years ended 31 December 2016 and six months ended 30 June 2017. The relevant costs incurred primarily included staff cost and sharing of fixed costs of the Group, for instance rental, utilities and depreciation expenses, incurred during the respective periods. As advised by the management of the Group and indicated in the aforementioned calculation table, the service fee charged at 1% of the Sales Contracts Amount was to cover the relevant costs incurred by the Group for serving PKU Resources Group during the respective periods.

Having considered that the principal terms of the Technical Support Services Agreement, in particular that the service fee to be charged at 1% of the Sales Contracts Amount generated by the PKU Resources Group is in line with the relevant actual expenses incurred in recent historical periods, we concur the views of the Directors that the terms of the Technical Support Services Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

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4. The Proposed Annual Caps

As set out in the Board Letter, the historical figures, the historical annual caps in respect of the Master Entrusted Management and Consultancy Agreement and the proposed annual caps in respect of the Technical Support Services Agreement are as follows:

	Year ended 31 December 2015	Year ended 31 December 2016	Year ending 31 December 2017	Year ending 31 December 2018	Year ending 31 December 2019
Historical figures					
<i>RMB million</i>	5.30	18.76	N/A	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	6.13	21.50	N/A	N/A	N/A
Historical annual caps					
<i>RMB million</i>	40	40	40	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	45.84	45.84	45.84	N/A	N/A
Proposed annual caps					
<i>RMB million</i>	N/A	N/A	100	180	270
<i>HK\$ million</i> <i>(approximately)</i>	N/A	N/A	114.60	206.28	309.42

We are given to understand that, as set out in the Board Letter, the scope of the services of the Technical Support Services Agreement is similar to that of the Master Entrusted Management and Consultancy Agreement. The major difference between the Master Entrusted Management and Consultancy Agreement and the Technical Support Services Agreement is that under Master Entrusted Management and Consultancy Agreement, the services fee are payable by the PKU Resources Group to the Company once every financial year charged at 1% of the Sales Receipt, while under the Technical Support Services Agreement, the service fees are payable by the PKU Resources Group to the Company once every financial year, charged at 1% of the Sales Contracts Amount generated by the PKU Resources Group for the same financial period. The change of basis is due to service fee is charged at the earlier stage of sales contracts to better match with efforts made by the Group, as advised by the management of the Group, which overcomes the delay of recognition of service fee and would significantly increase the service fee to be recognized resulting from the change of calculation basis from Sales Receipt to Sales Contracts Amount.

As advised by the management of the Group and set out in the Board Letter, subject to the annual caps above, service fees are payable by the PKU Resources Group to the Company once every financial year, charged at 1% of the Sales Contracts Amount generated by the PKU

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Resources Group for the same financial period. The Proposed Annual Caps are derived based on (i) the selling floor area and sales amount of existing property development projects of PKU Resources Group, mainly residential and commercial properties in Wuhan, Dongguan, Chengdu, Guangzhou, Guiyang, Hangzhou, Nanjing, Yichang and Chongqing, which will be sold during 2017 to 2019; (ii) the selling floor area and sales amount of estimated property development projects of PKU Resources Group, mainly feature town in Yancheng, Hainan, Zhangzhou and others, which will be sold during 2019; and (iii) estimated trend of the PRC property market prices for the years from 2017 to 2019 taken into account the historical price and increment. The proposed annual caps for the year ending 31 December 2017 increased by more than 100% as compared to the historical annual caps for the year ending 31 December 2017 due to estimated increase in number of property development projects of PKU Resources Group.

We have obtained and reviewed the list of property development projects for the coming three years from 2017 to 2019 with respective expected Sales Contracts Amount, which is provided by the management of the Company. We note that the Proposed Annual Caps of each of the three years ending 31 December 2017, 2018 and 2019 are principally calculated as 1% of the estimated Sales Contracts Amount of property development projects of PKU Resources Group in each respective year.

With reference to the aforementioned list of property development projects for the three years ending 31 December 2019, we note that there will be a substantial increase in property development projects arising from PKU Resources Group, in relation to the calculation of Technical Support Services Agreement, as set out in below table. We consider that the significant increase in Proposed Annual Caps for the three years ending 31 December 2019 is mainly attributable to the combined effect of (i) estimated growth in property development projects arising from PKU Resources Group and (ii) estimated trend in PRC property market prices in respective years.

The table below sets forth the breakdown of estimated number of property development projects to be sold and their estimated selling floor area figures arising from PKU Resources Group:

	Year ended 31 December 2016	Year ending 31 December 2017	Year ending 31 December 2018	Year ending 31 December 2019
Commercial	2	2	2	2
Residential	2	7	9	8
Feature town	–	–	–	4
Others	–	2	2	2
Total	4	11	13	16
Selling floor area (approximately square metre in million)	0.4	0.7	1.1	2.9

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The estimated number of property development projects to be sold by PKU Resources Group increases from 11 for the year ending 31 December 2017 to 13 and 16 for the year ending 31 December 2018 and 2019, respectively. We also note that the estimated selling floor area increases significantly from approximately 0.7 square metre in million for the year ending 31 December 2017 to approximately 1.1 and 2.9 square metre in million for the year ending 31 December 2018 and 2019, respectively. Given the significant increase in selling floor area for the three years ending 31 December 2019, the management of the Group expects that the Sales Contracts Amount will increase accordingly for the respective years. As the service fee is calculated based on 1% of the Sales Contracts Amount, the management of the Group also expects the service fee will increase as a result.

Having considered the above, in particular that (i) the change of service fee calculation basis from Sales Receipt to Sales Contracts Amount causes the proposed annual caps for the year ending 31 December 2017 exceeds the historical annual caps for the respective year and (ii) growth in amount of projects for the three years ending 31 December 2019 is expected which will result in more Services to be provided by the Group, we concur the views of the Directors that the Proposed Annual Caps for the Technical Support Services Agreement are reasonably determined, and are fair and reasonable so far as the Independent Shareholders are concerned.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the view that (i) the entering into the Technical Support Services Agreement is in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole; (ii) the terms of the Technical Support Services Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) the Proposed Annual Caps are reasonably determined, and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to recommend the Independent Shareholders, to vote in favour of the relevant resolutions to be proposed at the SGM to approve the Technical Support Services Agreement and the respective Proposed Annual Caps thereof.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Vincent Cheung
Managing Director

Note: Mr Vincent Cheung is a licensed person registered with the Securities and Future Commission of Hong Kong and regarded as a responsible officer of Messis Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 10 years of experience in corporate finance industry.

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			Percentage of the Company's issued share capital
	Directly beneficially owned	Through controlled corporation (Note)	Total	
Mr Zheng Fu Shuang	200,019,000	584,984,000	785,003,000	13.11

Note: Mr Zheng Fu Shuang is interested 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 through controlled corporation	Percentage of the Company's issued share capital
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.

Save as disclosed above, as at Latest Practicable Date, none of the directors had registered an interest or short position in the shares or underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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 2016, 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' AND OTHER PERSONS' INTERESTS IN SHARES

As at the Latest Practicable Date, so far it is known to the directors of the Company, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

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*) ("PKU Asset Management")	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	-	-
北大資源集團控股有限公司 (Peking University Resources Group Holdings Co., Ltd.*)	3	Through a controlled corporation	3,950,134,407	65.96	-	-
北大方正集團有限公司 (Peking University Founder Group Company Limited*) ("Peking Founder")	4	Through a controlled corporation	3,950,134,407	65.96	-	-
Founder Information	5	Directly beneficially owned	3,850,134,407	64.29	-	-
		Through a controlled corporation	100,000,000	1.67	-	-
Mr 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

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
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 purposes 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 Peking University Resources Group Holdings Co., Ltd..
3. Peking University Resources Group Holdings Co., Ltd. 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. Mr Zheng Fu Shuang is interested in 785,003,000 shares of the Company, out of which 200,019,000 shares are held directly by Mr 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, so far it is known to the directors of the Company, as at 31 December 2016, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

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. EXPERT

Messis Capital Limited is a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under SFO.

As at the Latest Practicable Date, MESSIS Capital Limited was not beneficially interested in the securities of any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, MESSIS Capital Limited did not have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2016, being the date to which the latest published audited consolidated accounts of the Company were made up.

MESSIS Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name, in the form and context in which they appear.

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. MATERIAL CONTRACTS

The Group has not entered to any material contract (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the Latest Practicable Date.

9. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 31 December 2016, being the date to which the latest published audited consolidated accounts of the Company were made up.

10. 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, FCS, FCIS.

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 Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

11. 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 the date of SGM:

- i. the bye-laws of the Company;
- ii. the annual reports of the Company for the two years ended 31 December 2016;
- iii. the Technical Support Services Agreement;
- iv. the letter from the Independent Board Committee, the text of which is set out on pages 12 to 13 of this circular;
- v. the letter from the Independent Financial Adviser, the text of which is set out on pages 14 to 23 of this circular;
- vi. the letter of consent from the Independent Financial Adviser referred to in the paragraph headed Expert above; and
- vii. this circular.

NOTICE OF SGM



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)

NOTICE IS HEREBY GIVEN that a special general meeting of Peking University Resources (Holdings) Company Limited (the “**Company**”) will be held at 11:30 a.m. on Thursday, 31 August 2017 at Crystal Room IV, 3rd floor, Panda Hotel, 3 Tsuen Wah Street, Tsuen Wan, New Territories, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

“**THAT:**

- (a) the Technical Support Services Agreement (as defined in the circular to the shareholders of the Company dated 11 August 2017) be and is hereby approved;
- (b) the proposed annual caps in relation to the transactions contemplated under the Technical Support Services Agreement for the three years ending 31 December 2019 be and are hereby approved;
- (c) any one Director be and is hereby authorised to do all such acts or things, as he/ she may in his/her absolute discretion consider necessary or desirable, to give effect to the Technical Support Services Agreement and the transactions contemplated thereunder.”

By order of the Board

Peking University Resources (Holdings) Company Limited

Cheung Shuen Lung

Chairman

Hong Kong, 11 August 2017

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint another person as his/her proxy to attend and vote instead of his/her. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company but must be present in person at the meeting to represent the shareholder. Completion and return of the form of proxy will not preclude a shareholder from attending the meeting and voting in person. In such event, his/her form of proxy will be deemed to have been revoked.
2. Where there are joint holders of any share, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of

NOTICE OF SGM

such joint holders be present at the meeting, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

3. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority must be deposited 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 not less than 48 hours before the time for holding the meeting or any adjournment thereof.
4. For the purpose of entitlement to attend and vote at the special general meeting to be held on Thursday, 31 August 2017, the register of members of the Company will be closed from Friday, 25 August 2017 to Thursday, 31 August 2017 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the special general meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 24 August 2017.
5. In accordance with Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), Founder Information (Hong Kong) Limited and its associates (as defined in the Listing Rules) are required to abstain from voting on the above ordinary resolution.
6. At the meeting (or at any adjournment thereof), the Chairman of the meeting put the above resolution to the vote by way of a poll as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Bye-laws of the Company. The poll results will be published on the websites of the Company at www.pku-resources.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk following the meeting.