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**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)**

**CONTINUING CONNECTED TRANSACTIONS:  
2019 MASTER PURCHASE AGREEMENT,  
2019 MASTER SALES AGREEMENT**

**AND**

**2019 MASTER PROPERTY MANAGEMENT SERVICE AGREEMENT**

**2019 MASTER PURCHASE AGREEMENT**

Reference is made to the announcement of the Company dated 26 October 2018 in relation to the 2018 Master Purchase Agreement between the Company and Peking Founder pursuant to which the Group would purchase certain software products, systems integration products, software development services, hardware development services and/or systems integration development services from Peking Founder Group on normal commercial terms and in the ordinary course of business and a non-exclusive basis.

As the existing annual cap for 2020 set out in the 2018 Master Purchase Agreement may not be sufficient for the increasing transaction volume for the transactions under such agreement since Peking Founder Group is offering more product lines, on 28 November 2019, the Company and Peking Founder entered into the 2019 Master Purchase Agreement with a term of three years for the period from 1 January 2020 to 31 December 2022 to replace the existing annual cap for 2020 under the 2018 Master Purchase Agreement, and set up annual caps for 2021 and 2022. The 2018 Master Purchase Agreement will terminate on 31 December 2019.

## **2019 MASTER SALES AGREEMENT**

Reference is made to the announcement of the Company dated 26 October 2018 in relation to the 2018 Master Sales Agreement between the Company and Peking Founder pursuant to which the Group would supply certain information products (including but not limited to desktop computers, laptop computers, servers, networking tools, internet products, monitors and software, etc.) to Peking Founder Group on normal commercial terms and in the ordinary course of business and a non-exclusive basis.

As the existing annual cap for 2020 set out in the 2018 Master Sales Agreement may not be sufficient for the increasing transaction volume for the transactions under such agreement, on 28 November 2019, the Company and Peking Founder entered into the 2019 Master Sales Agreement with a term of three years for the period from 1 January 2020 to 31 December 2022 to replace the existing annual cap for 2020 under the 2018 Master Sales Agreement, and set up annual caps for 2021 and 2022. The 2018 Master Sales Agreement will terminate on 31 December 2019.

## **2019 MASTER PROPERTY MANAGEMENT SERVICE AGREEMENT**

Reference is made to the announcement of the Company dated 21 July 2017, in relation to the 2017 Master Property Management Service Agreement between the Company and PKU Resources Group pursuant to which PKU Resources Group and its associates agree to provide pre-sale property management services to the Group on normal commercial terms and in the ordinary course of business. Given the 2017 Master Property Management Service Agreement will expire on 31 December 2019, on 28 November 2019, the Company entered into the 2019 Master Property Management Service Agreement with PKU Resources Group to continue such transactions from 1 January 2020 to 31 December 2022 and set up annual caps for 2020 to 2022.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Peking Founder is an associate of Founder Information which is the direct controlling shareholder of the Company. Therefore, Peking Founder is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules for the transactions contemplated under the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement exceed 5% and the consideration for each of the above transactions exceed HK\$10,000,000, each of the transactions contemplated under the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement constitute non-exempt continuing connected transactions for the Company and are subject to the reporting, annual review, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Moreover, as at the date of this announcement, PKU Resources Group is the holding company of Founder Information which is the direct controlling shareholder of the Company. Accordingly, the transactions contemplated under the 2019 Master Property Management Service Agreement will also constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) for the transactions contemplated under the 2019 Master Property Management Service Agreement, on an annual basis, is above 0.1% and below 5%, the transactions contemplated under the 2019 Master Property Management Service Agreement constitute exempt continuing connected transactions for the Company pursuant to Rule 14A.76(2) of the Listing Rules, and are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular, independent financial advice and shareholders' approval requirements.

## **GENERAL**

A SGM will be convened and held, among other things, to seek approval from the Independent Shareholders in relation the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement and the proposed annual caps in relation to the relevant continuing connected transactions contemplated thereunder. Founder Information will abstain from voting at the SGM in respect of the relevant resolutions.

The Independent Board Committee (comprising all three independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement (including the proposed annual caps for the three years ending 31 December 2022). VBG Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same respect.

A circular containing, among other things, further details of the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, a letter of advice containing the recommendation of the Independent Board Committee to the Independent Shareholders and the notice of the SGM and the form of proxy, will be despatched to the Shareholders on or before 19 December 2019.

## **1. THE 2019 MASTER PURCHASE AGREEMENT**

### **Introduction**

Reference is made to the announcement of the Company dated 26 October 2018 in relation to the 2018 Master Purchase Agreement between the Company and Peking Founder pursuant to which the Group would purchase certain software products, systems integration products, software development services, hardware development services and/or systems integration development services from Peking Founder Group on normal commercial terms and in the ordinary course of business and a non-exclusive basis.

As the existing annual cap for 2020 set out in the 2018 Master Purchase Agreement may not be sufficient for the increasing transaction volume for the transactions under such agreement since Peking Founder Group is offering more product lines, on 28 November 2019, the Company and Peking Founder entered into the 2019 Master Purchase Agreement with a term of three years for the period from 1 January 2020 to 31 December 2022 to replace the existing annual cap for 2020 under the 2018 Master Purchase Agreement, and set up annual caps for 2021 and 2022. The 2018 Master Purchase Agreement will terminate on 31 December 2019.

### **Principal Terms of the 2019 Master Purchase Agreement**

Peking Founder Group would, subject to certain conditions, continue to provide the Group with certain software products, systems integration products, software development services, hardware development services and/or systems integration development services on normal commercial terms and a non-exclusive basis.

Pursuant to the 2019 Master Purchase Agreement, the Group will purchase such products at market prices determined at the relevant time (i) with reference to the prices and credit terms at which such products are supplied, on normal commercial terms in its ordinary and usual course of business, to independent third party customers in the local market and/or adjacent regions; or (ii) where no comparables as stated in (i) are available, with reference to the prices and credit terms at which such products are supplied, on normal commercial terms in its ordinary and usual course of business, to independent third party customers in the PRC; or (iii) where none of the above comparables is available, with reference to the reasonable prices and credit terms agreed between the parties on an arm's length basis.

The terms of the 2019 Master Purchase Agreement will become effective from 1 January 2020 and will expire on 31 December 2022. The 2019 Master Purchase Agreement, or any contract signed pursuant to the 2019 Master Purchase Agreement, can be terminated by 30 days' notice in writing by either party.

## Historical Transaction Amounts and Proposed Caps

The historical figures, the historical annual caps and the proposed annual caps in respect of the 2019 Master Purchase Agreement are as follows:

	Year ended 31 December 2017	Year ended 31 December 2018	Six months ended 30 June 2019	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022
<b>Historical figures</b>							
<i>RMB million</i> <i>(approximately)</i>	56	16	9	N/A	N/A	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	61	18	10	N/A	N/A	N/A	N/A
<b>Historical annual caps</b>							
<i>RMB million</i> <i>(approximately)</i>	350	30	N/A	30	30	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	383	33	N/A	33	33	N/A	N/A
<b>Proposed annual caps</b>							
<i>RMB million</i> <i>(approximately)</i>	N/A	N/A	N/A	N/A	100	100	100
<i>HK\$ million</i> <i>(approximately)</i>	N/A	N/A	N/A	N/A	110	110	110

The proposed annual caps have been determined with reference to the historical purchase pattern and expected total value of the transactions between the Group and Peking Founder Group under the 2019 Master Purchase Agreement.

## Reasons for and benefits of the 2019 Master Purchase Agreement

As Peking Founder Group has various business contracts with the Group and is familiar with the Group's product and service specifications, it is able to respond quickly and in a cost effective manner to any new specifications that the Group may from time to time request.

The Directors (excluding all independent non-executive Directors whose views will be based on the opinion of the Independent Financial Adviser) are of the view that the transactions under the 2019 Master Purchase Agreement are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole and that the proposed annual caps for the transactions contemplated under the 2019 Master Purchase Agreement are fair and reasonable.

As Mr. Cheung Shuen Lung is concurrently serving as a director of Peking Founder, he has abstained from voting on the resolution approving the 2019 Master Purchase Agreement at the Board meeting of the Company. Save as disclosed above, none of the Directors have any material interest in the transactions contemplated under the 2019 Master Purchase Agreement.

## **2. THE 2019 MASTER SALES AGREEMENT**

### **Introduction**

Reference is made to the announcement of the Company dated 26 October 2018 in relation to the 2018 Master Sales Agreement between the Company and Peking Founder pursuant to which the Group would supply certain information products (including but not limited to desktop computers, laptop computers, servers, networking tools, internet products, monitors and software, etc.) to Peking Founder Group on normal commercial terms and in the ordinary course of business and a non-exclusive basis.

As the existing annual cap for 2020 set out in the 2018 Master Sales Agreement may not be sufficient for the increasing transaction volume for the transactions under such agreement, on 28 November 2019, the Company and Peking Founder entered into the 2019 Master Sales Agreement with a term of three years for the period from 1 January 2020 to 31 December 2022 to replace the existing annual cap for 2020 under the 2018 Master Sales Agreement, and set up annual caps for 2021 and 2022. The 2018 Master Sales Agreement will terminate on 31 December 2019.

### **Principal Terms of the 2019 Master Sales Agreement**

The Group would, subject to certain conditions, continue to provide Peking Founder Group with certain information products (including but not limited to desktop computers, laptop computers, servers, networking tools, internet products, monitors and software, etc.) on normal commercial terms and a non-exclusive basis.

Pursuant to the 2019 Master Sales Agreement, the Group will provide such information products at market prices determined at the relevant time (i) with reference to the prices and credit terms at which such information hardware products are supplied, on normal commercial terms in its ordinary and usual course of business, to independent third party customers in the local market and/or adjacent regions; or (ii) where no comparables as stated in (i) are available, with reference to the prices and credit terms at which such information hardware products are supplied, on normal commercial terms in its ordinary and usual course of business, to independent third party customers in the PRC; or (iii) where none of the above comparables is available, with reference to the reasonable prices and credit terms agreed between the parties on an arm's length basis.

The terms of the 2019 Master Sales Agreement will become effective from 1 January 2020 and will expire on 31 December 2022. The 2019 Master Sales Agreement, or any contract signed pursuant to the 2019 Master Sales Agreement, can be terminated by 30 days' notice in writing by either party.

### Historical Transaction Amounts and Proposed Caps

The historical figures, the historical annual caps and the proposed annual caps in respect of the 2019 Master Sales Agreement are as follows:

	Year ended 31 December 2017	Year ended 31 December 2018	Six months ended 30 June 2019	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022
<b>Historical figures</b>							
<i>RMB million</i> <i>(approximately)</i>	148	27	3	N/A	N/A	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	162	30	3	N/A	N/A	N/A	N/A
<b>Historical annual caps</b>							
<i>RMB million</i> <i>(approximately)</i>	1,000	30	N/A	30	30	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	1,095	33	N/A	33	33	N/A	N/A
<b>Proposed annual caps</b>							
<i>RMB million</i> <i>(approximately)</i>	N/A	N/A	N/A	N/A	1,000	1,000	1,000
<i>HK\$ million</i> <i>(approximately)</i>	N/A	N/A	N/A	N/A	1,095	1,095	1,095

The proposed annual caps have been determined with reference to the historical monthly sales volume and expected purchases estimated by Peking Founder Group under the 2019 Master Sales Agreement.

### Reasons for and benefits of the 2019 Master Sales Agreement

Peking Founder Group has been purchasing information products for its customers to set up computer systems, and provide software solutions to its clients. The Board considers that it is beneficial to the Group to supply information products to Peking Founder Group on normal commercial terms, thus broadening its customer and revenue base. The Board considers that the terms of the 2019 Master Sales Agreement were arrived at after arm's length negotiations between the parties involved. The 2019 Master Sales Agreement was entered into in the ordinary and usual course of business of the Group.

The Directors (excluding all independent non-executive Directors whose views will be based on the opinion of the Independent Financial Adviser) are of the view that the transactions under the 2019 Master Sales Agreement are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole and that the proposed annual caps for the transactions contemplated under the 2019 Master Sales Agreement are fair and reasonable.

As Mr. Cheung Shuen Lung is concurrently serving as a director of Peking Founder, he has abstained from voting on the resolution approving the 2019 Master Sales Agreement at the Board meeting of the Company. Save as disclosed above, none of the Directors have any material interest in the transactions contemplated under the 2019 Master Sales Agreement.

### **3. THE 2019 MASTER PROPERTY MANAGEMENT SERVICE AGREEMENT**

#### **Introduction**

Reference is made to the announcement of the Company dated 21 July 2017, in relation to the 2017 Master Property Management Service Agreement between the Company and PKU Resources Group pursuant to which PKU Resources Group and its associates agree to provide pre-sale property management services to the Group on normal commercial terms and in the ordinary course of business. Given the 2017 Master Property Management Service Agreement will expire on 31 December 2019, on 28 November 2019, the Company entered into the 2019 Master Property Management Service Agreement with PKU Resources Group to continue such transactions from 1 January 2020 to 31 December 2022 and set up annual caps for 2020 to 2022.

#### **Principal terms of the 2019 Master Property Management Service Agreement**

The PKU Resources Group and its associates would, subject to certain conditions, provide pre-sale property management services including but not limited to ensure public order and safety, provide environmental maintenance facilities and equipment maintenance and customer service and sales support to the Group on normal commercial terms.

Pursuant to the 2019 Master Property Management Service Agreement, the PKU Resources Group and its associates will provide pre-sale property management services including but not limited to ensure public order and safety, provide environmental maintenance facilities and equipment maintenance and customer service and sales support to the Group. The fees for the service provided include (i) service charges including materials and labour costs; (ii) property management charges including operation, security, cleaning, customer service and maintenance etc.; (iii) property rental charges including property rental costs generated by office rentals; and (iv) special charges such as assistance in promotional events, sales support and electricity, etc..



The property service fee is subject to reference to the quotation of similar property services of comparable properties in the market, taking into account market factors such as salaries and benefits, the cost of using the facilities and payments to third parties, and determined in a fair and reasonable manner through fair negotiations. The fees charged by PKU Resources Group for the provision of property management services shall be fair and reasonable, and its terms shall not be inferior to those of other independent third party providers that may provide similar property services.

The terms of the 2019 Master Property Management Service Agreement shall become effective from the date specified in the individual property management service agreement on or after 1 January 2020 to the end date not later than 31 December 2022.

### Historical Transaction Amounts and Proposed Caps

The historical figures, the historical annual caps and the proposed annual caps in respect of the 2019 Master Property Management Service Agreement are as follows:

	Year ended 31 December 2017	Year ended 31 December 2018	Six months ended 30 June 2019	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022
<b>Historical figures</b>							
<i>RMB million</i> <i>(approximately)</i>	38	41	9	N/A	N/A	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	42	45	10	N/A	N/A	N/A	N/A
<b>Historical annual caps</b>							
<i>RMB million</i> <i>(approximately)</i>	53	60	N/A	62	N/A	N/A	N/A
<i>HK\$ million</i> <i>(approximately)</i>	58	66	N/A	68	N/A	N/A	N/A
<b>Proposed annual caps</b>							
<i>RMB million</i> <i>(approximately)</i>	N/A	N/A	N/A	N/A	60	60	60
<i>HK\$ million</i> <i>(approximately)</i>	N/A	N/A	N/A	N/A	66	66	66

The proposed annual caps have been determined with reference to (i) the plans of the property development projects of the Company including the monthly service charges, vacant property charges and construction area of each project and (ii) the estimated trend of the PRC property market prices for the years from 2020 to 2022.

## **Reasons for and benefits of the 2019 Master Property Management Service Agreement**

In order to relieve itself from the potential burden of maintaining a large team for property management and supervision, the Group does not retain its own property management team and instead, leveraging on the expertise of PKU Resources Group and its associates to manage its property projects before the respective sales phases. The Directors are of the view that, by leveraging on the expertise of PKU Resources Group and its associates, which have been managing property projects for over 10 years, the respective properties will be managed in a more cost effective way with quality.

The Directors are of the view that the transactions under the 2019 Master Property Management Service Agreement are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole and that the proposed annual caps for the transactions contemplated under the 2019 Master Property Management Service Agreement are fair and reasonable.

As Mr. Zeng Gang, Ms. Sun Min and Mr. Ma Jian Bin are concurrently serving as directors of PKU Resources Group, they have abstained from voting on the resolution approving the 2019 Master Property Management Service Agreement at the Board meeting of the Company. Save as disclosed above, none of the Directors have any material interest in the transactions contemplated under the 2019 Master Property Management Service Agreement.

## **INFORMATION OF THE GROUP**

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

## **INFORMATION ON FOUNDER INFORMATION, PEKING FOUNDER GROUP AND PKU RESOURCES GROUP**

As at the date of this announcement, Peking Founder is an associate of Founder Information which is the direct controlling shareholder of the Company. Moreover, PKU Resources Group is the holding company of Founder Information which is the direct controlling shareholder of the Company. Founder Information is an investment holding company. Peking Founder Group is principally engaged in sales of computer hardware and software and related equipment, communications equipment, instrumentation, office automation equipment; sales of electronic products, self-developed products, computers, software and auxiliary equipment as well as investment management. PKU Resources Group is a comprehensive technology and innovation services holding group specialized in real estate development, investment and development of technology and innovation industry, educational investment, commercial real estate operation, and property operation and management.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Peking Founder is an associate of Founder Information which is the direct controlling shareholder of the Company. Therefore, Peking Founder is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement will constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules for the transactions contemplated under the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement exceed 5% and the consideration for each of the above transactions exceed HK\$10,000,000, each of the transactions contemplated under the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement constitute non-exempt continuing connected transactions for the Company and are subject to the reporting, annual review, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Moreover, as at the date of this announcement, PKU Resources Group is the holding company of Founder Information which is the direct controlling shareholder of the Company. Accordingly, the transactions contemplated under the 2019 Master Property Management Service Agreement will also constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) for the transactions contemplated under the 2019 Master Property Management Service Agreement, on an annual basis, is above 0.1% and below 5%, the transactions contemplated under the 2019 Master Property Management Service Agreement constitute exempt continuing connected transactions for the Company pursuant to Rule 14A.76(2) of the Listing Rules, and are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules, but are exempt from the circular, independent financial advice and shareholders' approval requirements.

## **GENERAL**

A SGM will be convened and held, among other things, to seek approval from the Independent Shareholders in relation the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement and the proposed annual caps in relation to the relevant continuing connected transactions contemplated thereunder. Founder Information will abstain from voting at the SGM in respect of the relevant resolutions.

The Independent Board Committee (comprising all three independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement (including the proposed annual caps for the three years ending 31 December 2022). VBG Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same respect.

A circular containing, among other things, further details of the 2019 Master Purchase Agreement and the 2019 Master Sales Agreement, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, a letter of advice containing the recommendation of the Independent Board Committee to the Independent Shareholders and the notice of the SGM and the form of proxy, will be despatched to the Shareholders on or before 19 December 2019.

## DEFINITIONS

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

“2017 Master Property Management Service Agreement”	a master property management service agreement dated 21 July 2017 entered into between the Company and PKU Resources Group in relation to the provision of pre-sale property management services to the Group;
“2018 Master Purchase Agreement”	a master purchase agreement dated 26 October 2018 entered into between the Company and Peking Founder in relation to purchase of various products and services;
“2018 Master Sales Agreement”	a master sales agreement dated 26 October 2018 entered into between the Company and Peking Founder in relation to supply of certain information hardware products;
“2019 Master Property Management Service Agreement”	a master property management service agreement dated 28 November 2019 entered into between the Company and PKU Resources Group in relation to the provision of pre-sale property management services to the Group until 31 December 2022;
“2019 Master Purchase Agreement”	a master purchase agreement dated 28 November 2019 entered into between the Company and Peking Founder in relation to the purchase of certain software products, systems integration products, software development services, hardware development services and/or systems integration development services until 31 December 2022;
“2019 Master Sales Agreement”	a master sales agreement dated 28 November 2019 entered into between the Company and Peking Founder in relation to the supply of certain information hardware products to Peking Founder Group until 31 December 2022;
“associates”	has the same meaning as ascribed thereto in the Listing Rules;
“Board”	the board of Directors of the Company;

“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 same meaning as ascribed thereto in the Listing Rules;
“controlling shareholder”	has the same meaning as ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Founder Information”	Founder Information (Hong Kong) Limited (香港方正資訊有限公司), a company incorporated in Hong Kong with limited liability and a controlling shareholder of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee comprising all independent non-executive Directors;
“Independent Financial Adviser”	VBG Capital Limited, a licensed corporation to carry out 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 Independent Shareholders in relation to (i) the 2019 Master Purchase Agreement (including its annual caps for the three years ending 31 December 2022); and (ii) the 2019 Master Sales Agreement (including its annual caps for the three years ending 31 December 2022);
“Independent Shareholders”	the shareholders of the Company other than Peking Founder and its respective associates;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);
“Peking Founder”	北大方正集團有限公司 (Peking University Founder Group Company Limited*), a company incorporated in the PRC with limited liability;

“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 incorporated in the PRC with limited liability;
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this announcement;
“RMB”	Renminbi, the lawful currency of the PRC;
“SGM”	the special general meeting of the Company to be convened and held for the Independent Shareholders to consider and if thought fit, approve, (i) the 2019 Master Purchase Agreement (including its annual caps for the three years ending 31 December 2022); and (ii) the 2019 Master Sales Agreement (including its annual caps for the three years ending 31 December 2022);
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the same meaning as ascribed thereto in the Listing Rules; and
“%”	per cent.

By Order of the Board  
**Peking University Resources (Holdings) Company Limited**  
**Cheung Shuen Lung**  
*Chairman*

Hong Kong, 28 November 2019

*As at the date of this announcement, the Board comprises executive Directors of Mr. Cheung Shuen Lung (Chairman), Mr. Zeng Gang (President), Ms. Sun Min, Mr. Ma Jian Bin, Ms. Liao Hang and Mr. Zheng Fu Shuang, and the independent non-executive Directors of Mr. Li Fat Chung, Ms. Wong Lam Kit Yee and Mr. Chan Chung Kik, Lewis.*

*For illustrative purpose only, RMB is converted into HK\$ at an exchange rate of RMB1.00 = HK\$1.095 in this announcement.*

\* For identification purpose only