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GOOD RESOURCES

## **GOOD RESOURCES HOLDINGS LIMITED**

**天成國際集團控股有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 109)**

### **INSIDE INFORMATION OVERDUE OF REPAYMENT OF PROMISSORY NOTE AND PROFIT WARNING**

This announcement is made by Good Resources Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **OVERDUE OF REPAYMENT OF PROMISSORY NOTE**

References are made to (i) the announcements dated 6 August 2015 and 19 August 2016 of the Company; and (ii) the circular dated 12 September 2016 of the Company.

On 6 August 2015, Golden Wayford Limited (a wholly-owned subsidiary of the Company) (“**Golden Wayford**”) entered into a subscription agreement with Airspan Network Inc. (“**Airspan**”), pursuant to which Airspan agreed to issue and the Company agreed to subscribe for a convertible promissory note (the “**Original Note**”) in the principal amount of US\$10,000,000 with fixed interest rate of 8% per annum and maturity date falling on 16 February 2016. On 19 August 2016, Golden Wayford entered into an extension agreement with Airspan, pursuant to which the maturity date of the Original Note was extended to 30 June 2017.

On 28 November 2017, Golden Wayford entered into an amendment agreement with Airspan for an amended and restated convertible promissory note (the “**New Note**”) in the principal amount of US\$9,000,000 with fixed interest rate of 5% per annum and maturity date falling on 30 June 2020, together with the repayment of principal of US\$1,000,000 and all outstanding accrued interest (under the Original Note) to replace the Original Note.

\* *for identification purpose only*

As at the date of this announcement, (i) the repayment of the New Note by Airspan to the Group has become overdue; and (ii) the outstanding principal amount and accrued interest of the New Note are US\$9,000,000 and approximately US\$818,000 (equivalent to approximately HK\$70,200,000 and HK\$6,380,000), respectively.

Following maturity of the New Note, the Group has been in discussion with Airspan for the related repayment arrangement. The Company is also seeking legal advice on the matter, and will make further announcement as and when necessary.

## **PROFIT WARNING**

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the information currently available to the Board and the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 30 June 2020 (the “**FY2020**”), it is expected that the Group will record consolidated loss for FY2020, as compared to consolidated profit for the year ended 30 June 2019. The expected turnaround of the Group’s results was primarily attributable to the following reasons:

- (i) the write-off of assets of Myanmar Golden 11 Investment International Co., Ltd. (an indirect non-wholly owned subsidiary of the Company which is principally engaged in the optical fibre leasing business of the Group)(“**MG11**”) of not less than HK\$54 million due to the request by the Commercial Department of Myanmar Railway to the Group to remove the core cable along Yangon-Mandalay Railway, details of which are disclosed in the announcement dated 10 July 2020 of the Company;
- (ii) the impairment of right-of-use asset, goodwill and intangible assets of MG11 of not less than HK\$70 million which is based on a preliminary valuation of the value in use relating to cash-generating units of MG11;
- (iii) the fair value loss on the New Note of not less than HK\$35 million due to the overdue of repayment of the New Note by Airspan to the Group as discussed above; and
- (iv) the increase in expected credit loss in loans receivable for FY2020 (whereby the Company is still in the processing of finalising the valuation of such credit loss with the external independent valuer as at the date of this announcement).

However, the Company has yet to finalise the audited annual results of the Group for FY2020. As such, the information contained in this announcement is only based on the preliminary assessment by the management of the Company with reference to the information currently available including the unaudited consolidated management accounts of the Group, which have not been reviewed by the Company’s auditors or the audit committee of the Company and are therefore subject to adjustments. The actual annual results of the Group for FY2020 may therefore be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for FY2020, which is expected to be published around late of September 2020.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Good Resources Holdings Limited**  
**Chen Chuanjin**  
*Chairman and Executive Director*

Hong Kong, 28 July 2020

*As at the date of this announcement, (i) the executive directors of the Company are Mr. Chen Chuanjin and Mr. Chen Shi; and (ii) the independent non-executive directors of the Company are Mr. Chau On Ta Yuen, Mr. Zhang Ning and Mr. Wong Hok Bun, Mario.*

*In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.*