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## **HONG KONG RESOURCES HOLDINGS COMPANY LIMITED**

**香港資源控股有限公司**

*(Incorporated in Bermuda with limited liability  
and carrying on business in Hong Kong as HKRH China Limited)*

**(Stock code: 2882)**

### **ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE**

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of Hong Kong Resources Holdings Company Limited (the “**Company**”) pursuant to Rule 3.7 of The Code on Takeovers and Mergers (the “**Takeovers Code**”), Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Cap. 571, the Laws of Hong Kong).

The Board has noticed the recent increases in the price of the shares (the “**Shares**”) of the Company. The Board would like to inform the shareholders of the Company that as informed by Mr. Li Ning (“**Mr. Li**”) and Mr. Wang Chaoguang (“**Mr. Wang**” together with Mr. Li, the “**Potential Sellers**”), both are executive Directors and shareholders of the Company, that they were recently approached by a potential buyer (the “**Potential Buyer**”) about the possible sale (the “**Proposed Sale**”) of their shareholding interest in the Company.

In the event that preliminary discussions between the Potential Sellers and the Potential Buyer in respect of the Proposed Sale has materialized, it may lead to a change in control of the Company and a mandatory general offer under the Takeovers Code for all the issued Shares and securities of the Company (other than those already owned by or agreed to be acquired by the Potential Buyer and parties acting in concert with it). As at the date of this announcement, Mr. Li and his parties acting in concert (as defined under the Takeovers Code), hold 21,157,000 Shares representing about 7.85% of the total issued share capital of the Company as at the date of this announcement and Mr. Wang and his parties acting in concert (as defined under the Takeovers Code), hold (i) 65,000,000 Shares representing about 24.28% of the total issued share capital of the Company as at the date of this announcement; and (ii) the convertible bonds in the principal sum of HK\$52,000,000 entitling the holder to convert into 80,000,000 Shares representing about 22.88% of the total issued share capital as enlarged by those conversion Shares.

The Board has been further notified by the Potential Sellers that no legally binding agreement has been entered into between any of the Potential Sellers and their parties acting in concert and the Potential Buyer in respect of the Proposed Sale as at the date of this announcement. The preliminary discussions are still in progress and the Proposed Sale may or may not proceed. Save as disclosed above, the Board confirms that there are no negotiations or agreements relating to any intended acquisitions or realisations which are discloseable under Rule 13.21 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which contains inside information.

## **MONTHLY UPDATE**

In accordance with Rule 3.7 of the Takeovers Code, monthly announcement(s) will be made until announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

## **DEALING DISCLOSURE**

For the purposes of the Takeovers Code, the offer period commences on the date of this announcement, being 6 March 2023. In accordance with Rule 3.8 of the Takeovers Code, respective associates of the Company and the Potential Buyer (as defined in the Takeovers Code, including among others, shareholders of the Company and shareholders of the Potential Buyer having interests of 5% or more in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company and the Potential Buyer respectively) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the requirements of the Takeovers Code.

## **RESPONSIBILITIES OF STOCKBROKERS, BANKS AND OTHER INTERMEDIARIES**

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code: “Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million. This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved. Intermediaries are expected to co-operate with the Executive Director of the Corporate Finance Division of the Securities and Futures Commission (the “**Executive**”) in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

As at the date of this announcement, the Company has (i) 269,671,601 Shares in issue; (ii) 16,517,160 share options outstanding which conferring the holders to subscribe for 16,517,160 new Shares; and (iii) convertible bonds in the aggregate principal amount of HK\$84,500,000, which carry rights to convert into 130,000,000 new Shares in full at the initial conversion price of HK\$0.65 per Share. As at the date of this announcement, Mr. Wang is the holder of convertible bonds in the principal amount of HK\$52,000,000, which carry rights to convert into 80,000,000 new Shares in full.

## **WARNING**

**There is no assurance that the negotiation for the Proposed Sale will proceed or materialize, or will eventually be consummated. The Proposed Sale is subject to the entering into of the formal binding agreement and if applicable, the fulfilment of the conditions precedent contained therein. The relevant discussions in relation to the Proposed Sale may or may not lead to a general offer under Rule 26.1 of the Takeovers Code.**

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their stockbrokers, bank managers, solicitors or professional advisers.

By order of the Board  
**Hong Kong Resources Holdings Company Limited**  
**Li Ning**  
*Chairman*

Hong Kong, 6 March 2023

*As at the date of this announcement, the Board comprises Mr. Li Ning (Chairman) and Mr. Wang Chaoguang (Co-chairman) as executive Directors; Mr. Hu Hongwei as non-executive Director; and Dr. Loke Yu alias Loke Hoi Lam, Dr. Fan, Anthony Ren Da and Mr. Chan Kim Sun as independent nonexecutive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.*