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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)**

## **DISCLOSEABLE TRANSACTIONS IN RELATION TO THE TENANCY AGREEMENTS**

The Board announces that (i) on 1 November 2023, 3D-Gold (being an indirect subsidiary of the Company) as tenant and Shall Take Limited as landlord entered into the HK Tenancy Agreement in respect of the HK Premises at the monthly rent of HK\$380,000 for a term of three years commencing from 1 January 2024 to 31 December 2026 (both dates inclusive); and (ii) on 13 December 2023, Gold Ocean (being an indirect subsidiary of the Company) as tenant and Squash International Limited as landlord entered into the Macau Tenancy Agreement in respect of the Macau Premises for a term of four years and two months from 2 January 2024 to 1 March 2028 (both dates inclusive) at the monthly rent of HK\$380,000 (in the case of 2 January 2024 to 1 March 2026) and HK\$400,000 (in the case of 2 March 2026 to 1 March 2028).

### **IMPLICATIONS UNDER THE LISTING RULES**

In accordance with HKFRS 16, the entering into of the Tenancy Agreements will require the Group to recognise the HK Premises and Macau Premises as right-of-use assets on its balance sheet, thus the entering into of the Tenancy Agreements and the transactions contemplated thereunder will be regarded as acquisitions of assets by the Company under the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the respective value of the right-of-use assets recognised by the Group pursuant to HKFRS 16 in relation to each of (i) the HK Tenancy Agreement and (ii) the Macau Tenancy Agreement is more than 5% but less than 25%, the entering into of the HK Tenancy Agreement, the Macau Tenancy Agreement and the respective transactions contemplated thereunder constitute discloseable transactions for the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board announces that:

- (i) on 1 November 2023, 3D-Gold (being an indirect subsidiary of the Company) as tenant and Shall Take Limited as landlord entered into the HK Tenancy Agreement in respect of the HK Premises at the monthly rent of HK\$380,000 for a term of three years commencing from 1 January 2024 to 31 December 2026 (both dates inclusive); and
- (ii) on 13 December 2023, Gold Ocean (being an indirect subsidiary of the Company) as tenant and Squash International Limited as landlord entered into the Macau Tenancy Agreement in respect of the Macau Premises for a term of four years and two months from 2 January 2024 to 1 March 2028 (both dates inclusive) at the monthly rent of HK\$380,000 from 2 January 2024 to 1 March 2026 and HK\$400,000 from 2 March 2026 to 1 March 2028.

The principal terms of the Tenancy Agreements are set out below:

**THE HK TENANCY AGREEMENT**

**Date:** 1 November 2023

**Parties:** (i) Landlord: Shall Take Limited  
(ii) Tenant: 3D-Gold

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, Shall Take Limited and its ultimate beneficial owner(s) are Independent Third Parties.

**HK Premises:** Rooms G1-G7, G/F, Sino Centre, No. 582-592 Nathan Road, Kowloon, Hong Kong

**Lettable area:** 1,268  
(sq. ft)

**Term:** From 1 January 2024 to 31 December 2026 (both dates inclusive)

**Usage:** For retail sale and display of gold, jewellery and related accessories under the trade name of “3DG-Jewellery”

**Rent:** HK\$380,000 per calendar month (exclusive of rates, management fees and other outgoings of a non-capital and recurring nature)

**Rent free period:** One month's rent free period from 1 January 2024 to 31 January 2024 (both dates inclusive)

**Deposit:** HK\$1,140,000

The negotiation of the terms of the HK Tenancy Agreement was conducted by the parties on an arm's length basis and the rent was determined with reference to the open market rental of properties of comparable size, location, facilities and usage.

The rent payable by the Group for the HK Premises is expected to be financed by internal resources of the Group.

The value (unaudited) of the right-of-use asset recognised by the Company under the HK Tenancy Agreement amounted to approximately HK\$12.0 million, which is the present value of the total consideration payable at the inception of the term under the HK Tenancy Agreement in accordance with HKFRS 16. Discount rate of 8% is applied to compute the present value of total consideration payable under the HK Tenancy Agreement.

#### **THE MACAU TENANCY AGREEMENT**

**Date:** 13 December 2023

**Parties:** (i) Landlord: Squash International Limited  
(ii) Tenant: Gold Ocean

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Squash International Limited and its ultimate beneficial owner(s) are Independent Third Parties.

**Macau Premises:** Em Macau, Avenida Do Infante D. Henrique N° 26, Kam Loi Res-Do-Chao H (澳門殷皇子大馬路26號金來大廈地下H座)

**Lettable area:** 560  
(sq. ft.)

**Term:** From 2 January 2024 to 1 March 2028 (both dates inclusive), renewable for two years by Gold Ocean

**Usage:** For retail sale

**Rent:** (i) From 2 January 2024 to 1 March 2026: HK\$380,000 per calendar month (exclusive of rates, management fees and other charges)

- (ii) From 2 March 2026 to 1 March 2028: HK\$400,000 per calendar month (exclusive of rates, management fees and other charges)

**Rent free period:** Two months' rent free period from 2 January 2024 to 1 March 2024 (both dates inclusive)

**Deposit:** HK\$1,140,000

The negotiation of the terms of the Macau Tenancy Agreement was conducted by the parties on an arm's length basis and the rent was determined with reference to the open market rental of properties of comparable size, location, facilities and usage.

The rent payable by the Group for the Macau Premises is expected to be financed by internal resources of the Group.

The value (unaudited) of the right-of-use asset recognised by the Company under the Macau Tenancy Agreement amounted to approximately HK\$16.1 million, which is the present value of the total consideration payable at the inception of the term under the Macau Tenancy Agreement in accordance with HKFRS 16. Discount rate of 8% is applied to compute the present value of total consideration payable under the Macau Tenancy Agreement.

#### **REASONS AND BENEFITS FOR ENTERING INTO THE TENANCY AGREEMENTS**

In order to achieve higher operational efficiency, the Group plans to expand its distribution network including directly-managed shops. It is anticipated that the Group could benefit from the economies of scale by adopting a pro-active network expansion approach combined with other business strategies.

The Directors have reviewed the Tenancy Agreements and considered that the Tenancy Agreements were entered into under normal commercial terms at comparable market rents and confirmed that the terms of the transactions were fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **INFORMATION OF THE PARTIES**

The Company is an investment holding company. The Group is principally engaged in the retail sales and franchising operations for gold and jewellery products in Hong Kong, Macau, Mainland China and overseas and the wholesaling and contracting operations of gold and jewellery products in Mainland China.

CGS is a subsidiary of the Company and is owned as to 50% by each of the Company and Luk Fook 3DM. The principal activity of CGS is investment holding. Its subsidiaries are principally engaged in the trading and sale of gold, platinum and jewellery products in Hong Kong, Macau, other region in the PRC and overseas through retailing, licensing and e-commerce under the brand or trade names of “3D-GOLD” and “金至尊”.

3D-Gold is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of CGS. The principal activities of 3D-Gold are the retailing of gold and jewellery products in Hong Kong.

Gold Ocean is a company incorporated in Macau with limited liability and a wholly-owned subsidiary of CGS. The principal activities of Gold Ocean are the retailing of gold and jewellery products in Macau.

Shall Take Limited is a company incorporated in Hong Kong with limited liability which is principally engaged in property investment. It is directly wholly-owned as to approximately 98.2% by LAI Kam Yuen and approximately 1.8% by LAI Yu Pui Sheung, the ultimate beneficial owners.

Squash International Limited is a company incorporated in Hong Kong with limited liability which is principally engaged in financial service activities. It is directly wholly-owned as to 50% by WOAN Sok Han and as to 50% by WONG Kin Chong, the ultimate beneficial owners.

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, Shall Take Limited, Squash International Limited and their respective ultimate beneficial owner(s) are Independent Third Parties.

## **IMPLICATIONS UNDER THE LISTING RULES**

In accordance with HKFRS 16, the entering into of the Tenancy Agreements will require the Group to recognise the HK Premises and the Macau Premises as right-of-use assets on its balance sheet, thus the entering into of the Tenancy Agreements and the transactions contemplated thereunder will be regarded as acquisitions of assets by the Company under the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the respective value of the respective right-of-use assets recognised by the Group pursuant to HKFRS 16 in relation to each of (i) the HK Tenancy Agreement and (ii) the Macau Tenancy Agreement is more than 5% but less than 25%, the entering into of each of the HK Tenancy Agreement and the Macau Tenancy Agreement and the respective transactions contemplated thereunder constitute discloseable transactions for the Company and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Company should have complied with the relevant reporting and announcement requirements under Rule 14.34 of the Listing Rules in respect of the Tenancy Agreements as and when such obligations arose. Regrettably, these transactions were only discovered recently by the current management of the Company after the Change of Control, leading to a delay in compliance with the Listing Rules. The current management of the Company would like to stress that it has no intention to withhold any information relating to the Tenancy Agreements from disclosure to the public and has taken immediate steps to comply with the Listing Rules once it was aware of the Tenancy Agreements.

Upon the Change of Control, the Company has taken the following measures and actions: (i) the Company's responsible management with assistance from external accounting professionals and legal advisers of the Company will continue to oversee and monitor the Company's on-going compliance with the Listing Rules in relation to the Group's transactions; (ii) the Company has provided internal training materials to all responsible personnel to explain the obligations under the Listing Rules, including but not limited to implications of the Listing Rules in relation to HKFRS 16 and the reporting procedures for notifiable transactions under the Listing Rules in respect of lease arrangements prior to execution; and (iii) the Company will, as and when appropriate and necessary, seek its external legal, accounting or other professional advice as to any action required to be taken in relation to any proposed transactions in the future. Going forward, the Company will make disclosure in a timely manner to ensure compliance with the Listing Rules in this regard.

## DEFINITIONS

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

“3D-Gold”	3D-GOLD Jewellery (HK) Limited (金至尊珠寶(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of CGS
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“CGS”	China Gold Silver Group Company Limited (中國金銀集團有限公司), a company incorporated in the British Virgin Islands with limited liability and a subsidiary of the Company, which is owned as to 50% by the Company and 50% by Luk Fook 3DM
“Change of Control”	the change of control of the Company as a result of the acquisition of majority stake in the Company by Luk Fook 3D Investment Holding Company Limited (a wholly-owned subsidiary of Luk Fook Holdings), which was completed on 12 January 2024
“Company”	Hong Kong Resources Holdings Company Limited (香港資源控股有限公司), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2882)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Gold Ocean”	Gold Ocean Jewellery Company Limited (金澳珠寶首飾有限公司), a company incorporated in Macau with limited liability and a wholly-owned subsidiary of CGS
“Group”	collectively, the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“HK Premises”	Rooms G1-G7, G/F, Sino Centre, No. 582-592 Nathan Road, Kowloon, Hong Kong
“HK Tenancy Agreement”	the tenancy agreement entered into between 3D-Gold and Shall Take Limited for the lease of the HK Premises on 1 November 2023
“HKFRS 16”	the “Hong Kong Financial Reporting Standard 16 – Leases” issued by the Hong Kong Institute of Certified Public Accountants, which sets out the principles for the recognition, measurement, presentation and disclosure of leases
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	individual(s) or company(ies) who or which is/are independent of the Company and connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Luk Fook 3DM”	Luk Fook 3D Management Company Limited (六福3D管理有限公司), a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of Luk Fook Holdings
“Luk Fook Holdings”	Luk Fook Holdings (International) Limited (六福集團(國際)有限公司), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 0590)
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Macau Premises”	Em Macau, Avenida Do Infante D. Henrique N° 26, Kam Loi Res-Do-Chao H (澳門殷皇子大馬路26號金來大廈地下H座)
“Macau Tenancy Agreement”	the tenancy agreement entered into between Gold Ocean and Squash International Limited for the lease of the Macau Premises on 13 December 2023



“PRC” or “Mainland China”	the People’s Republic of China
“Shall Take Limited”	Shall Take Limited (上德有限公司), a company incorporated in Hong Kong with limited liability
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Squash International Limited”	Squash International Limited, a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreements”	collectively, the HK Tenancy Agreement and the Macau Tenancy Agreement
“%”	per cent.

By order of the Board  
**Hong Kong Resources Holdings Company Limited**  
**WONG Ho Lung, Danny**  
*Chairman and Chief Executive Officer*

Hong Kong, 21 June 2024

*As at the date of this announcement, the Board comprises Mr. WONG Ho Lung, Danny (Chairman and Chief Executive officer), Ms. CHEUNG Irene (Chief Operating Officer), Ms. WONG Hau Yeung and Dr. CHAN So Kuen as executive Directors; Ms. YEUNG Po Ling, Pauline as non-executive Director; and Mr. SZE Yeung Kuen, Mr. CHAN Raymond, Dr. LAM Ki Wai, Lianne and Dr. CHOW Kwoon Ho, Simon as independent non-executive Directors.*