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G-Resources Group Limited

國際資源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1051)

DISCLOSEABLE TRANSACTION PURCHASE OF LIMITED PARTNER INTEREST IN A FUND

PURCHASE OF LIMITED PARTNER INTEREST IN A FUND

The Board is pleased to announce that on 28 April 2017 (after trading hours), the Transferee, an indirect wholly-owned subsidiary of the Company, entered into the Transfer Agreement with the Transferor and the General Partner, pursuant to which the Transferor conditionally agreed to transfer and assign, and the Transferee conditionally agreed to assume the Limited Partner Interest for a consideration of US\$38,613,838 (equivalent to approximately HK\$301.2 million).

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Purchase are more than 5% but all applicable percentage ratios are less than 25%, the Purchase constitutes a discloseable transaction on the part of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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TRANSFER AGREEMENT

Date : 28 April 2017

Name of the Fund : Genesis Capital I LP

Parties : (1) Dundee Greentech Limited, as the Transferor;
(2) Classic Idea Investments Limited, as the Transferee; and
(3) Genesis Capital Ltd, a Cayman Islands exempted company, acting in its capacity as the General Partner of the Fund

Subject Matter : the Limited Partner Interest

Consideration : US\$38,613,838 (equivalent to approximately HK\$301.2 million)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of the Transfer Agreement, the Transferor and the General Partner and their respective ultimate beneficial owners are independent third party and not connected persons of the Company.

The consideration was determined after arm's length negotiations between the Transferor and the Transferee based on (i) the actual investment cost of approximately US\$33.0 million made by the Transferor as at the date of the Transfer Agreement and (ii) the performance of the Fund as at 31 December 2016 indicated in the audited financial statements and the statement of individual partner's capital account of the Fund. The consideration will be funded by the Group's internal resources and payable to the Transferor by bank transfer which will be fully settled on the Completion Date.

Upon entering into of the Transfer Agreement, the Transferee shall be deemed a party (as if the Transferee had signed a deed of adherence) to the Partnership Agreement and the Subscription Agreement with the General Partner and other relevant parties, which shall govern their relationship and provide for, among other things, the manner of operation and management of the Fund.

Completion

The completion of the Purchase shall take place on the Completion Date. Upon completion, the Transferee shall hold the entire Limited Partner Interest and succeed to all of the rights and be subject to all of the obligations of the Transferor with respect to the Limited Partner Interest for all purposes under the Partnership Agreement and the Subscription Agreement, including, without limitation, the Transferor's obligation to contribute the remaining portion of its Capital Commitment with respect to the Limited Partner Interest pursuant to the Partnership Agreement and the Subscription Agreement. The interest in the Fund held by the Transferee will be treated as an investment of the Group.

INFORMATION ON THE FUND AND THE PARTNERSHIP AGREEMENT

The Fund is an exempted limited partnership established in accordance with the Exempted Limited Partnership Law of Cayman Islands on 7 July 2015 for achieving income generation and capital appreciation through making investments in equity and equity-related securities of growth stage technology entities (including companies in technology, media and telecommunications industry).

As at the date of this announcement, the total Capital Commitment to the Fund is US\$400.0 million (equivalent to approximately HK\$3,120.0 million) and the Capital Commitment of the Transferor to the Fund is US\$80.0 million (equivalent to approximately HK\$624.0 million), representing 20% of the total Capital Commitment to the Fund. The actual Capital Contribution made by the Transferor to the Fund was approximately US\$33.0 million (equivalent to approximately HK\$257.4 million) and the remaining portion of the Capital Commitment of the Transferor to the Fund is US\$47.0 million (equivalent to approximately HK\$366.6 million) as at the date of the Transfer Agreement.

Term of the Fund

The term of the Fund will continue for a period of 10 years from 30 December 2016, and may be extended for up to a maximum of two consecutive one-year periods by the advisory board appointed by the General Partner or a majority in interest of the Limited Partners.

Financial information of the Fund

Based on the audited financial statements for the period from 7 July 2015 to 31 December 2016 of the Fund as prepared by the auditors of the Fund, (i) the total asset value of the Fund as at 31 December 2016 was US\$143,933,113 (equivalent to approximately HK\$1,122.7 million); and (ii) the Fund has had no realised appreciation or depreciation on investments since its establishment.

Transferability of the Interest

The Limited Partner Interest may not be sold, assigned, transferred, pledged, charged, encumbered, mortgaged, granted a security interest in or otherwise disposed of, in whole or in part, without the prior written consent of the General Partner, which may be withheld in its sole discretion. The Transferee may not withdraw from the Fund.

Management fee

The Fund shall pay the General Partner an annual management fee at 2% of the aggregate Capital Commitments of all Limited Partners (or, following the end of the Fund's investment period, the aggregate acquisition cost of investments), commencing from the date of the Limited Partnership Agreement and ending on the winding-up or dissolution of the Fund.

Distributions of investment returns

The General Partner may, in its sole discretion (but shall not be required to) cause the Fund to make distributions to the partners of the Fund in the manner as described in the Partnership Agreement. The investment proceeds from the investment made by the Fund shall be apportioned preliminarily among the partners of the Fund in accordance with their sharing percentages of, or respective interests in, such investment and distributed, after deducting reserves to meet the expenses and other liabilities of the Fund, to the partners of the Fund in accordance with the terms and conditions under the Partnership Agreement.

REASONS FOR AND BENEFITS OF THE INVESTMENT

The Group is engaged in principal investment business, the goal of which is to identify investment opportunities and to invest in different industries to provide better risk weighted return and capital value to the Group. It is the plan of the Company to strategically and progressively expanding its exposure in such segment by establishing and taking part in different funds with distinct investment objectives. The Fund management team has extensive experience in investment and fund operation in technology, media and telecommunications sectors. By leveraging the Fund management team's experience and skills in relevant areas, the Board believes the Company will be able to capture investment opportunities and potential investment returns in technology, media and telecommunications industry and diversify the Group's investment portfolio. The Board considers that the terms of the Transfer Agreement, the Subscription Agreement and the Partnership Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE GROUP AND THE TRANSFEREE

The Company is an investment holding company and its subsidiaries are principally engaged in principal investment business, money lending business, financial services business and real property business.

The Transferee is a company established in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company.

INFORMATION ON THE TRANSFEROR

The Transferor is a company established in the British Virgin Islands with limited liability. To the best knowledge of the Directors, the Transferor is an investment holding company.

INFORMATION ON THE GENERAL PARTNER

The General Partner is an exempted company incorporated in the Cayman Islands with limited liability. It is principally engaged in the management of the Fund. The General Partner will have full control over the business and affairs of the Fund, including responsibility for making all investment and divestment decisions.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Purchase are more than 5% but all applicable percentage ratios are less than 25%, the Purchase constitutes a discloseable transaction on the part of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors;
“Capital Commitment”	with respect to any Partner, the total amount that such Partner has committed to contribute to the Fund as set forth in the Partnership Agreement and the Subscription Agreement (including the investment commitment and the cost commitment);
“Capital Contribution(s)”	with respect to each Partner, the aggregate capital contribution(s) made to the Fund by such Partner;
“Company”	G-Resources Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Completion Date”	the date on which all the conditions precedent to the Purchase under the Transfer Agreement are satisfied and the Transferee receives a certified true copy of the updated register of limited partnership interest maintained by the Fund (reflecting that Transferee is a substitute Limited Partner with respect to the Limited Partner Interest), which is expected to be 2 May 2017;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Fund”	Genesis Capital I LP, a Cayman Islands exempted limited partnership;
“General Partner”	Genesis Capital Ltd, a Cayman Islands exempted company incorporated with limited liability;
“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 People’s Republic of China;
“Limited Partner Interest”	the limited partnership interest in the Fund represented by a Capital Commitment of US\$80.0 million (equivalent to approximately HK\$624.0 million) to the Fund, representing 20% of the total Capital Commitment to the Fund as at the date of this announcement;
“Limited Partner(s)”	the limited partner(s) of the Fund;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Partnership Agreement”	the second amended and restated limited partnership agreement dated 30 December 2015 entered into between, among others, the General Partner and other Limited Partner(s) to govern their relationship and provide for (among others) the manner of operation and management of the Fund;
“Purchase”	the purchase of the Limited Partner Interest by the Transferee in accordance with the terms of the Transfer Agreement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Agreement”	the subscription agreement dated 30 December 2015 entered into between the Transferor and the General Partner for subscribing the Limited Partner Interest;
“Transfer Agreement”	the transfer agreement dated 28 April 2017 entered into among the Transferee, the Transferor and the General Partner for its own behalf and on behalf of each Limited Partner in relation to the Purchase;
“Transferee”	Classic Idea Investments Limited, an indirect wholly-owned subsidiary of the Company, the transferee of the Limited Partner Interest pursuant to the Transfer Agreement;

“Transferor”	Dundee Greentech Limited, the transferor of the Limited Partner Interest pursuant to the Transfer Agreement;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of HK\$7.80 per US\$1.00. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board
G-Resources Group Limited
Leung Oi Kin
Executive Director and Company Secretary

Hong Kong, 28 April 2017

As at the date of this announcement, the Board comprises:

- (i) Mr. Chiu Tao, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie and Mr. Leung Oi Kin as executive Directors; and*
- (ii) Dr. Or Ching Fai, Mr. Chen Gong and Mr. Martin Que Meideng as independent non-executive Directors.*

* *For identification purpose only*