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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  
SUBSCRIPTION OF LIMITED PARTNER INTEREST IN A FUND**

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The Board is pleased to announce that on 23 April 2018 (after trading hours), the Subscriber, an indirect wholly-owned subsidiary of the Company, and the General Partner entered into the Subscription Agreement to subscribe for the Limited Partner Interest in the Fund as a Limited Partner for a capital commitment of US\$50 million (equivalent to approximately HK\$390 million).

**IMPLICATIONS UNDER THE LISTING RULES**

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Subscription is more than 5% but all applicable percentage ratios are less than 25%, the Subscription 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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## SUBSCRIPTION AGREEMENT

|                  |   |   |
|------------------|---|---|
| Date             | : | 23 April 2018   |
| Name of the Fund | : | Terra Magnum Fund I LP  |
| Parties          | : | (1) Terra Magnum Fund I GP, as the General Partner, on behalf of itself and the Fund; and<br><br>(2) Smart Blend Limited, as the Subscriber   |
| Subject Matter   | : | Subscription for the Limited Partner Interest   |
| Contribution     | : | A capital commitment of US\$50 million (equivalent to approximately HK\$390 million) by the Subscriber and will be contributed in instalments as specified by the General Partner pursuant to the terms and conditions of the Limited Partnership Agreement |
| Closing          | : | The Subscription is conditional upon, among other things, the acceptance by the General Partner of the Subscription   |

The capital commitment by the Subscriber was determined after arm's length negotiations between the General Partner and the Subscriber with reference to (i) the investment objective of the Fund; (ii) the expected duration of the Fund; (iii) the possible investment return of the Fund; (iv) the financial position and resources of the Subscriber available; and (v) the investment opportunities expected to be available for the Group. The capital commitment will be funded by the Group's internal resources and paid by the Subscriber through wire transfer when due instalments of the capital commitment to the Fund.

Simultaneously with the entering into of the Subscription Agreement, the Subscriber, the Initial Limited Partner, the General Partner, the Special Limited Partner and other Limited Partners entered into the Limited Partnership Agreement, which shall govern the relationship between the General Partner and the Limited Partners and to provide for (among other things) the manner of operation and management of the Fund. Upon admission of new Limited Partner(s) to the Fund, the Initial Limited Partner would cease to be a partner of the Fund.

## LIMITED PARTNERSHIP AGREEMENT

- Date : 23 April 2018
- Name of the Fund : Terra Magnum Fund I LP
- Parties : (1) Terra Magnum Fund I GP, as the General Partner;
- (2) Terra Magnum Fund I SLP LP, as the Special Limited Partner;
- (3) Terra Magnum Ltd., as the Initial Limited Partner;
- (4) The Subscriber, as the Limited Partner(s); and
- (5) Other Limited Partners, which are third parties independent from the Company and its connected persons.
- Purpose of the Fund : To build long term appreciation through investments, by primarily investing in (a) companies and assets established in the United States, Europe or elsewhere in the world that may have substantial business relations or synergies with Greater China, (b) company(ies) and asset(s) that may not be in, or have substantial business relations with Greater China, but, from the General Partner's information and belief, an event or circumstance in Greater China will have an effect on the performance of such company(ies) or asset(s), and (c) other companies or assets chosen or opportunities at the General Partner's sole discretion
- Term of the Fund : The term of the Fund shall continue until the eighth anniversary of the Initial Closing Date unless the General Partner extends the Fund term for two additional one-year periods with the consent of two-thirds in interest of the Limited Partners or unless it is sooner wound up or dissolved upon the occurrence of a specific event of early termination as stipulated in the Limited Partnership Agreement

- Distribution 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 Limited Partnership Agreement. The distributable cash or marketable securities attributable to any portfolio 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 Limited Partnership Agreement
- Transfer by Limited Partner : No Limited Partner shall sell, assign, pledge, mortgage, declare a trust over or otherwise dispose of or transfer its interest in the Fund without the prior written consent of the General Partner; which consent shall not be unreasonably withheld. The General Partner further agrees that, it will give its consent to the transfer of any Limited Partner's interest in the Fund if such transfer is required or is mandated in order to comply with any legal or regulatory requirements applicable to such Limited Partner or by any Limited Partner of its entire interest in the Fund to a creditworthy affiliate of such Limited Partner
- Management fee : The Fund shall pay the General Partner an annual management fee at 2% of the aggregate capital commitments of all Limited Partners during the Investment Period, excluding fees and expenses stipulated in the Limited Partnership Agreement and thereafter an annual management fee at 1.5% of the costs basis of all securities of portfolio companies then held by the Fund

## **REASONS FOR, AND BENEFITS OF, THE SUBSCRIPTION**

The goal of the Group 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 Group to strategically and progressively expanding its exposure in investment by establishing and taking part in different funds with distinct investment objectives. By leveraging the General Partner's experience and skills in investment and fund operations, the Board believes the Group will be able to diversify the Group's investment portfolio and therefore capture investment opportunities and potential investment returns from the Fund's extensive investment portfolios covering different industries including the technology, media and telecommunications, healthcare and education industries which is in line with the Group's current investment strategy. The Board considers that the terms of the Subscription Agreement and the Limited Partnership Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INFORMATION ON THE FUND**

The Fund is an exempted limited partnership established in accordance with the Exempted Limited Partnership Law of Cayman Islands on 11 January 2018. The total capital commitment of the Fund as at the Initial Closing Date is US\$200 million (equivalent to approximately HK\$1,560 million). As it is newly established, neither financial information nor past performance of the Fund is presented in this announcement.

## **INFORMATION OF THE GENERAL PARTNER, THE SPECIAL LIMITED PARTNER AND THE INITIAL LIMITED PARTNER**

The General Partner is a Cayman Islands limited liability company and shall be responsible for the management and day-to-day operations of the Fund.

The Special Limited Partner is a Cayman Islands exempted limited partnership. The Special Limited Partner was formed by the General Partner for the purpose of investing in the Fund as a Limited Partner.

The Initial Limited Partner, a Cayman Islands exempted company was the initial limited partner of the Fund but has subsequent withdrawn from the Fund as at the Initial Closing Date and has ceased to be a Limited Partner.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of the Subscription Agreement and the Limited Partnership Agreement, each of the General Partner, the Special Limited Partner, the Initial Limited Partner, other Limited Partners and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

## **INFORMATION ON THE SUBSCRIBER AND THE GROUP**

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

The Group is principally engaged in principal investment business, money lending business, provision of financial services and real property business.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules in relation to the Subscription is more than 5% but all applicable percentage ratios are less than 25%, the Subscription 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;  |
| “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; |
| “connected person”        | has the meaning ascribed to it under the Listing Rules;  |
| “Director(s)”             | the director(s) of the Company;  |
| “Final Closing Date”      | the date which is twelve months after the Initial Closing Date;  |
| “Fund”                    | Terra Magnum Fund I LP, a Cayman Islands exempted limited partnership;   |
| “General Partner”         | Terra Magnum Fund I GP, a company incorporated in Cayman Islands with limited liability;   |
| “Greater China”           | the People’s Republic of China, Hong Kong or Taiwan;   |
| “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;   |
| “Initial Closing Date”    | the date of the Limited Partnership Agreement;   |
| “Initial Limited Partner” | Terra Magnum Ltd., a company incorporated in the Cayman Islands with limited liability;  |
| “Investment Period”       | the period from the Final Closing Date to its fifth anniversary;   |
| “Limited Partner(s)”      | the limited partner(s) of the Fund;  |

|                                 |   |
|---------------------------------|---|
| “Limited Partnership Agreement” | the amended and restated limited partnership agreement dated 23 April 2018 entered into among the Subscriber, the General Partner, the Special Limited Partners, the Initial Limited Partner and other Limited Partners to govern their relationship and provide for (among other things) the manner of operation and management of the Fund; |
| “Limited Partner Interest”      | the limited partnership interest in the Fund represented by a capital commitment of US\$50 million (equivalent to approximately HK\$390 million) to the Fund, representing 25% of the total capital commitment to the Fund as at the date of this announcement;   |
| “Listing Rules”                 | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;   |
| “Special Limited Partner”       | Terra Magnum Fund I SLP LP, a Cayman Islands exempted limited partnership;  |
| “Stock Exchange”                | The Stock Exchange of Hong Kong Limited;  |
| “Subscriber”                    | Smart Blend Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company;   |
| “Subscription”                  | the subscription of the Limited Partner Interest by the Subscriber pursuant to the Subscription Agreement;  |
| “Subscription Agreement”        | the subscription agreement dated 23 April 2018 entered into between the Subscriber and the General Partner for subscribing the Limited Partner Interest;  |
| “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, 23 April 2018

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

- (i) Mr. Chiu Tao, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie, Mr. Leung Oi Kin and Mr. Leung Wai Yiu, Malcolm as executive Directors; and*
- (ii) Mr. Lo Wa Kei, Roy, Mr. Chen Gong and Mr. Martin Que Meideng as independent non-executive Directors.*

*\* For identification purpose only*