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Royal Century Resources Holdings Limited
仁德資源控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 8125)

DISCLOSABLE TRANSACTION
IN RELATION TO THE PURCHASE OF SCAFFOLDING EQUIPMENT

THE MASTER AGREEMENT

On 12 August 2018, Royal Century Construction, an indirect wholly-owned subsidiary of the Company, placed the Previous Purchasing Order with Ho Hon Systems as a trial order for purchase of scaffolding equipment in the amount of approximately HK\$4,000,000.

The Board announces that, to formalise the purchase arrangement, on 29 November 2018 (after trading hours), Royal Century Construction and Ho Hon Systems entered into the Master Agreement pursuant to which Ho Hon Systems has agreed to provide scaffolding equipment to Royal Century Construction from time to time subject to the placing of the Purchasing Order(s) by Royal Century Construction with Ho Hon Systems. Parties agreed that the aggregate consideration payable by Royal Century Construction for the Purchasing Order(s) shall not be more than HK\$15,000,000 during the term of the Master Agreement.

LISTING RULES IMPLICATIONS

The relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Previous Purchasing Order is less than 5%, therefore the Previous Purchasing Order by itself would not constitute a discloseable transaction on the part of the Company. The relevant percentage ratios in respect of the aggregate consideration payable for the Purchasing Order(s) to be placed under the Master Agreement exceed 5% but less than 25%, the transactions contemplated under the Master Agreement constitute a discloseable transaction on the part of the Company which is subject to announcement requirement. As the Previous Purchasing Order and the Purchasing Order(s) to be placed by Royal Century Construction under the Master Agreement will be completed within 12 months period, if the Previous Purchasing Order and the Purchasing Order(s) to be placed by Royal Century Construction under the Master Agreement are to be aggregated and treated as if they were one transaction under Rules 19.22 and 19.23 of the GEM Listing Rules, the applicable percentage ratios would exceed 5% but less than 25%, and the purchase of scaffolding equipment would still constitute a discloseable transaction on the part of the Company which is subject to announcement requirement.

On 12 August 2018, Royal Century Construction, an indirect wholly-owned subsidiary of the Company, has placed the Previous Purchasing Order with Ho Hon Systems as a trial order for the purchase of scaffolding equipment in the amount of approximately HK\$4,000,000.

The Board announces that, to formalise the purchase arrangement, on 29 November 2018 (after trading hours), Royal Century Construction and Ho Hon Systems entered into the Master Agreement pursuant to which Ho Hon Systems has agreed to provide scaffolding equipment to Royal Century Construction from time to time subject to the placing of the Purchasing Order(s) by Royal Century Construction with Ho Hon Systems. Parties agreed that the aggregated consideration payable by Royal Century Construction for the Purchasing Order(s) shall not be more than HK\$15,000,000 during the term of the Master Agreement.

THE MASTER AGREEMENT

Date: 29 November 2018

Parties: Royal Century Construction, an indirect wholly-owned subsidiary of the Company; and

Ho Hon Systems

Ho Hon Systems is a company incorporated in Hong Kong with limited liability and principally engaged in provision of construction engineering, mould plank, design engineering, and construction related structural scaffolding equipment services. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Ho Hon Systems and its ultimate beneficial owners are Independent Third Parties.

Supply of scaffolding equipment

Under the Master Agreement, subject to the placing of the Purchasing Order(s) by Royal Century Construction, Royal Century Construction will purchase and Ho Hon Systems will provide scaffolding equipment to Royal Century Construction from time to time during the term of the Master Agreement.

Royal Century Construction shall place Purchasing Order(s) with Ho Hon Systems to set out the specific terms and conditions in relation to the purchase amount, delivery terms and payment terms relating to the purchase of scaffolding equipment in accordance with the principles and conditions set out in the Master Agreement. Parties agreed that the aggregate consideration payable by Royal Century Construction for the Purchasing Order(s) shall not be more than HK\$15,000,000 during the term of the Master Agreement.

Royal Century Construction shall have the absolute discretion to determine whether to purchase scaffolding equipment from Ho Hon Systems and when to place the Purchasing Order(s), and the Master Agreement shall not restrict or limit Royal Century Construction to purchase scaffolding equipment from other third parties and Royal Century Construction is free to choose to select other third parties to provide scaffolding equipment to Royal Century Construction.

Purchasing Price

Ho Hon Systems shall supply scaffolding equipment to Royal Century Construction on terms no less favourable than the quotation of Ho Hon Systems previously provided to Royal Century Construction and agreed under the Master Agreement.

The purchasing price of each Purchasing Order shall be determined through arm's length negotiations between Royal Century Construction and Ho Hon Systems with reference to the prevailing market price and within the quotation provided by Ho Hon Systems.

Term of the Master Agreement

The Master Agreement shall be effective from the date of the Master Agreement and expiring on 31 July 2019 unless terminated in accordance with provisions of the Master Agreement.

REASONS AND THE BENEFITS OF ENTERING INTO THE MASTER AGREEMENT

The Company is a Hong Kong-based investment holding company. The Group is principally engaged in the provision of design and fitting-out services, provision of design and procurement of furnishings and related products services, money lending, sourcing and merchandising of fine and rare wines, and financial services business.

Whilst the Group remains focused on developing its existing businesses, the Board is also actively exploring for other business opportunities in order to diversify its business which provide better returns for the Shareholders. The Group has been engaging in its design and fitting-out services and design and procurement of furnishings and related products services operation over years and as mentioned in the “Financial Review” and “Business Review and Prospects” sections of the interim report of the Company dated 9 November 2018, the Group has established a warehouse for the storage of construction equipment, including but not limited to scaffolding equipment which can be used for the fitting-out services and/or other construction works, for leasing purpose. The leasing of construction equipment business is a natural expansion of and ancillary to the existing principal business of the Company, and is in line with the business development strategy of the Company, which shall enrich the business profile of the Company.

The Company will utilise the proceeds from the Placing and other internal resources to finance the purchase of the scaffolding equipment under the Master Agreement.

The Directors consider that the Master Agreement is entered into upon normal commercial terms following arm’s length negotiations between Royal Century Construction and Ho Hon Systems and the terms of the Master Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

“Board”	the board of Directors
“Company”	Royal Century Resources Holdings Limited, a company incorporated in Hong Kong with limited liability and the issued Shares of which are listed on GEM of the Stock Exchange (stock code: 8125)
“Director(s)”	the director(s) of the Company
“GEM”	GEM as operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Ho Hon Systems”	Ho Hon Systems Mould Plank Limited (浩瀚系統模板有限公司), a company incorporated in Hong Kong and an Independent Third Party
“Independent Third Party(ies)”	any persons or company(ies) and their respective ultimate beneficial owners, to the best of the Director’s knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Master Agreement”	the master agreement dated 29 November 2018 and entered into between Royal Century Construction and Ho Hons Systems in respect of the purchase of scaffolding equipment
“Placing”	the placing of 72,600,000 Shares under general mandate granted to the Directors by the Shareholders in the annual general meeting of the Company held on 7 September 2018, details of which were disclosed in the announcements of the Company dated 1 November 2018 and 26 November 2018

“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Previous Purchasing Order”	the purchasing order placed by Royal Century Construction with Ho Hon Systems on 12 August 2018 for purchase of scaffolding equipment
“Purchasing Order(s)”	the relevant purchasing order(s) to be placed by Royal Century Construction with Ho Hon Systems from time to time setting out specific terms and conditions relating to the supply of scaffolding equipment by Ho Hon Systems in accordance with the principles and conditions set out in the Master Agreement
“Royal Century Construction”	Royal Century Construction Equipment Limited (仁德建築設備有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of the Company
“Shareholders”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Royal Century Resources Holdings Limited
Chan Chi Yuen
Chairman

Hong Kong, 29 November 2018

As at the date of this announcement, the executive Directors are Mr. Chan Chi Yuen (Chairman), Mr. Liu Rongsheng (Chief Executive Officer), Mr. Wang Jun and Mr. Zhang Weijie; the non-executive Director is Mr. Tsang Kei Cheong; and the independent non-executive Directors are Mr. Chan Chiu Hung Alex, Mr. Wu Zhao and Mr. Lam Cheok Va.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.royalcentury.hk.