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Asia Resources Holdings Limited
亞洲資源控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 899)

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE DISPOSAL OF
60% EQUITY INTEREST IN
AND
SALE LOAN OWED BY
SHENZHEN PENGHONGSHENG INDUSTRIAL
DEVELOPMENT COMPANY LIMITED#**

DISPOSAL AGREEMENT

On 27 April 2017 (after trading hours of the Stock Exchange), the Vendor, being an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser in relation to the Disposal, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase 60% equity interest in the Target Company and the Vendor has agreed to sell and to procure certain members of the Group to sell and the Purchaser has agreed to purchase the Sale Loan owed by the Target Company for the Disposal Consideration of RMB240,000,000 (equivalent to approximately HK\$271,200,000).

Completion shall take place on the date falling the ninetieth (90th) day from the date of the Disposal Agreement (or such other date as may be agreed between the Vendor and the Purchaser). After Completion, the Group will hold 40% equity interest in the Target Company and the Target Company will cease to be a subsidiary of the Company.

* For identification purposes only

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction on the part of the Company and is only subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

On 27 April 2017 (after trading hours of the Stock Exchange), the Vendor, being an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser in relation to the Disposal, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase 60% equity interest in the Target Company and the Vendor has agreed to sell and to procure certain members of the Group to sell and the Purchaser has agreed to purchase the Sale Loan owed by the Target Company for the Disposal Consideration of RMB240,000,000 (equivalent to approximately HK\$271,200,000).

The principal terms of the Disposal Agreement are summarized below.

THE DISPOSAL AGREEMENT

Date: 27 April 2017

Parties: (1) Vendor : Hongyuan Information Consultancy (Shenzhen) Company Limited[#] (鴻源信息諮詢(深圳)有限公司), an indirect wholly-owned subsidiary of the Company

(2) Purchaser : Shenzhen Shi Anye Chuangzhan Investment Development Company Limited[#] (深圳市安業創展投資發展有限公司)

The Purchaser is a company established in the PRC and is principally engaged in the investment in industrial enterprises, investment planning and domestic trade. Save that the legal representative of the Purchaser is also the legal representative of Shenzhen Kingma Holding Group Company Limited[#] (深圳市金馬控股集團有限公司), being the seller in the agreements dated 9 February 2015 and 31 July 2015 respectively in relation to the acquisition of 15% and 20% equity interest in Shenzhen Zhaosheng Anye Investment Development Company Limited[#] (深圳招商安業投資發展有限公司) (“**Shenzhen Zhaosheng**”) by the Target Company (details of which are disclosed in the announcements of the Company dated 9 February 2015, 10 February 2015 and 31 July 2015 respectively), to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner(s) is an Independent Third Party.

Subject of the Disposal

Pursuant to the Disposal Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase 60% equity interest in the Target Company and the Vendor agreed to sell and procure certain members of the Group to sell and the Purchaser agreed to purchase the Sale Loan owed by the Target Company.

As at the date of this announcement, the registered capital of the Target Company amounts to RMB1,000,000 (equivalent to approximately HK\$1,130,000) which has been fully paid-up.

As at the date of this announcement, the Sale Loan amount to RMB234,390,000 (equivalent to approximately HK\$264,860,700). As at the date of this announcement and apart from the Sale Loan, a loan in the sum of RMB156,260,000 (equivalent to approximately HK\$176,573,800) is also owed by the Target Company to the Vendor and certain members of the Group (the “**Outstanding Loan**”).

Disposal Consideration

The Disposal Consideration is RMB240,000,000 (equivalent to approximately HK\$271,200,000) and shall be paid by the Purchaser in the following manner:

- (1) as to RMB80,000,000 (equivalent to approximately HK\$90,400,000) shall be payable by the Purchaser to the Vendor within thirty (30) days from the date of the Disposal Agreement; and
- (2) the remaining balance of RMB160,000,000 (equivalent to approximately HK\$180,800,000) shall be payable by the Purchaser to the Vendor within ninety (90) days from the date of the Disposal Agreement.

The Purchaser irrevocably and unconditionally undertakes to the Vendor that if the Purchaser fails to pay the Consideration in accordance with the terms and conditions of the Disposal Agreement, the Vendor is entitled to request and the Purchaser shall unconditionally unwind the transactions under the Disposal Agreement (including the sale and purchase of 60% equity interest in the Target Company and the Sale Loan) and bring the relevant parties back to the position which they were in before the entering into of the Disposal Agreement.

The Disposal Consideration was arrived at after arm's length negotiations between the parties to the Disposal Agreement after taking into consideration of various factors, including (i) the reasons for the Disposal as discussed in the paragraph headed "Reasons for the Disposal and Use of Proceeds" in this announcement; (ii) the current financial position of the Target Company; and (iii) the Sale Loan in the amount of RMB234,390,000 (equivalent to approximately HK\$264,860,700);

The Directors consider that the terms and conditions of the Disposal Agreement are fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Completion

Completion shall take place on the date falling the ninetieth (90th) day from the date of the Disposal Agreement (or such other date as may be agreed between the Vendor and the Purchaser). After Completion, the Group will hold 40% equity interest in the Target Company and the Target Company will cease to be a subsidiary of the Company.

If completion does not take place on the date falling the ninetieth (90th) day from the date of the Disposal Agreement (or such other date as may be agreed between the Vendor and the Purchaser), the Disposal Agreement shall be terminated and the transactions under the Disposal Agreement (including the sale and purchase of 60% equity interest in the Target Company and the Sale Loan) shall be unwound and the relevant parties shall be brought back to the position which they were in before the entering into of the Disposal Agreement.

Guarantee

Pursuant to the terms and conditions of the Disposal Agreement, the Purchaser further guarantees the due and punctual performance and discharge of all the obligations of the Target Company owed to the Group under the Outstanding Loan.

INFORMATION OF THE TARGET COMPANY

As at the date of this announcement, the equity interest in the Target Company is wholly owned by the Vendor. The Target Company is principally engaged in investment holding. As at the date of this announcement, the principal investment of the Target Company is 35% equity interest in Shenzhen Zhaosheng. Shenzhen Zhaosheng is a company with limited liability established under the laws of the PRC on 1 June 2007 with registered capital of RMB10,000,000 (equivalent to approximately HK\$11,300,000) and principally engaged in two property redevelopment projects in Shenzhen, the PRC as at the date of this

announcement. Further details of the aforementioned acquisitions and Shenzhen Zhaosheng are disclosed in the announcements of the Company dated 9 February 2015, 10 February 2015 and 31 July 2015 respectively.

The following table summarises the unaudited financial results of the Target Company (prepared in accordance with the PRC GAAP) for (i) the financial year ended 31 December 2015; and (ii) the financial year ended 31 December 2016 respectively:

	For the year ended 31 December 2016 (RMB)	For the year ended 31 December 2015 (RMB)
Turnover	0	0
Loss before taxation	10,701	538,477
Loss after taxation	10,701	538,477

Based on the unaudited account of the Target Company made up to 31 December 2016 (prepared in accordance with the PRC GAAP), the unaudited net assets value of the Target Company as at 31 December 2016 was approximately RMB448,950 (equivalent to approximately HK\$507,314).

FINANCIAL EFFECT OF THE DISPOSAL

Based on the Disposal Consideration, the unaudited financial results of the Target Company for (i) the financial year ended 31 December 2015; and (ii) the financial year ended 31 December 2016, subject to further audit procedures to be performed by the auditors of the Company, the Group is expected to record an unaudited gain on disposal of approximately RMB7,000,000 (equivalent to approximately HK\$7,910,000) with reference to (i) the unaudited net assets value of the Target Company as at 31 December 2016 of approximately RMB448,950 (equivalent to approximately HK\$507,314); (ii) the Sale Loan in the amount of RMB234,390,000 (equivalent to approximately HK\$264,860,700); (iii) the Disposal Consideration of RMB240,000,000 (equivalent to approximately HK\$271,200,000); and (iv) all relevant expenses of approximately HK\$150,000.

After Completion, the Target Company will cease to be a subsidiary of the Company. Accordingly, the assets, liabilities and the financial results of the Target Company will no longer be consolidated into the financial statements of the Group.

REASONS FOR THE DISPOSAL AND USE OF PROCEEDS

The Company is an investment holding company. The Group is principally engaged in securities and other trading business; money lending business; and property investments.

Given that (a) the property redevelopment projects engaged by Shenzhen Zhaosheng is still at an early stage and it is preliminarily expected that no revenue would be generated in the near future; and (b) a substantial amount of further financing would be required for such property redevelopment projects and the Group, through the Target Company, being the owner of 35% equity interest in Shenzhen Zhaosheng, may be required to provide financial assistance to finance such property redevelopment projects from time to time, the Board considers that the Disposal will provide a good chance for the Group to realise part of its investment in the Target Company, and allow the Group to retain more resources to pursue other possible business opportunities. The Board is confident that Disposal will contribute positively to the Group and will generate future benefits for the Company and the Shareholders as a whole.

Taking into consideration of the aforesaid, the Directors consider that the terms and conditions of the Disposal Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

After deducting expenses relating to the Disposal, it is expected that there will be a net proceeds of approximately RMB239,850,000 (equivalent to approximately HK\$271,030,500) from the Disposal. It is intended that the net proceeds from the Disposal will be applied as the general working capital of the Group and to finance the investment opportunities as may be identified from time to time.

The Directors are of the view that the Disposal will not have any material adverse impact on the business operations and financial position of the Group.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction on the part of the Company and is only subject to the reporting and announcement requirements but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors from time to time
“Company”	Asia Resources Holdings Limited, 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: 899)
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Disposal Agreement
“Directors”	the directors of the Company (including the independent non-executive directors) from time to time
“Disposal”	the proposed disposal of 60% equity interest in the Target Company and the Sale Loan under the Disposal Agreement
“Disposal Agreement”	the disposal agreement dated 27 April 2017 and entered into between the Vendor and the Purchaser in relation to the Disposal
“Disposal Consideration”	the consideration of RMB240,000,000 (equivalent to approximately HK\$271,200,000) for the Disposal
“Group”	the Company and its subsidiaries from time to time

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“PRC GAAP”	the general accepted accounting principles of the PRC
“Purchaser”	Shenzhen Shi Anye Chuangzhan Investment Development Company Limited [#] (深圳市安業創展投資發展有限公司)
“Sale Loan”	RMB234,390,000 (equivalent to approximately HK\$264,860,700), being 60% of the amounts owed by the Target Company to the Vendor and certain members of the Group as at the date of the Disposal Agreement
“Shareholders”	holders of the issued Shares from time to time
“Share(s)”	share(s) of HK\$0.25 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Shenzhen Penghongsheng Industrial Development Company Limited [#] (深圳鵬鴻昇實業發展有限公司), a company established in the PRC with limited liability, the equity interest of which is wholly owned by the Vendor as at the date of this announcement

“Vendor”	Hongyuan Information Consultancy (Shenzhen) Company Limited [#] (鴻源信息諮詢(深圳)有限公司), an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

By order of the Board of
Asia Resources Holdings Limited
Huang Yilin
Executive Director

Hong Kong, 27 April 2017

[#] *The English translation of the Chinese names or words in this announcement, where indicated, are included for identification purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

For the purpose of this announcement, unless otherwise indicated, conversions of RMB into HK\$ is calculated at the approximate exchange rate of RMB1.00 to HK\$1.13. This exchange rate is adopted for the purpose of illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.

As at the date of this announcement, the Board consists of six executive Directors, Mr. Wu Hongquan, Mr. Huang Yilin, Mr. Chan Shi Yin, Keith, Mr. Liu Yan Chee, James, Ms. Li Yali and Mr. Zhang Zhensheng; and three independent non-executive Directors, Mr. Zhang Xianlin, Mr. Kwok Hong Yee, Jesse and Mr. Ng Ping Yiu.