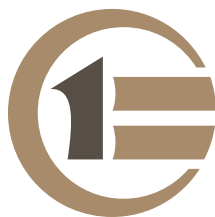


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Royal Century Resources Holdings Limited
仁德資源控股有限公司

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

Discloseable transaction
in relation to the purchase of scaffolding equipment

THE PURCHASING ORDERS

The Board announces that on 25 May 2020 (after trading hours), Royal Century Construction has placed the First Purchasing Order with the Supplier for scaffolding equipment in the amount of approximately HK\$350,000. On 1 September 2020 (after trading hours), Royal Century Construction has placed the Second Purchasing Order with the Supplier for scaffolding equipment in the amount of approximately HK\$4,700,000.

LISTING RULES IMPLICATIONS

As the highest relevant percentage ratio (as defined under the GEM Listing Rules) in respect of the Second Purchasing Order exceeds 5% but less than 25%, the Second Purchasing Order constitutes a discloseable transaction on the part of the Company which is subject to announcement requirement. As it is expected that the First Purchasing Order (which did not constitute a discloseable transaction as the highest relevant percentage ratio (as defined under the GEM Listing Rules) in respect of it was below 5%) and the Second Purchasing Order will be completed within 12-month period, if the First Purchasing Order and the Second Purchasing Order 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 highest applicable percentage ratio in respect of the Purchasing Orders would exceed 5% but less than 25%, and would constitute a discloseable transaction of the Company which is subject to announcement requirement.

The Board announces that on 25 May 2020 (after trading hours), Royal Century Construction has placed the First Purchasing Order with the Supplier for scaffolding equipment in the amount of approximately HK\$350,000. On 1 September 2020 (after trading hours), Royal Century Construction has placed the Second Purchasing Order with the Supplier for scaffolding equipment in the amount of approximately HK\$4,700,000.

The Purchasing Orders

The First Purchasing Order has been placed on 25 May 2020 and has been completed as at the date of this announcement.

The Second Purchasing Order was placed on 1 September 2020 (after trading hours) by Royal Century Construction to the Supplier.

The Supplier is a company established in the PRC with limited liability and principally engaged in production of construction related machinery and equipment, scaffolding equipment, and stainless and metal products. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Supplier and its ultimate beneficial owners are Independent Third Parties.

Asset acquired

Pursuant to the Second Purchasing Order, Royal Century Construction has ordered from the Supplier various components of scaffolding equipment with specifications setting out in the Second Purchasing Order. The scaffolding equipment will be leased by Royal Century Construction to construction companies for use in construction projects.

Consideration

The total consideration for the First Purchasing Order was approximately HK\$350,000, which have been settled in full upon delivery of the scaffolding equipment prior to the date of this announcement.

The total consideration for the Second Purchasing Order is approximately HK\$4,700,000, which is payable in cash by Royal Century Construction to the Supplier in accordance with the delivery schedule and payment terms below.

The Consideration was arrived at after arm's length negotiation between Royal Century Construction and the Supplier and was determined by the prevailing market value of scaffolding equipment obtained by comparing quotations provided by various suppliers of scaffolding equipment.

The Company will finance the purchase of the scaffolding equipment under the Second Purchasing Order by short term borrowings. It is expected that the Company would raise additional funds by way of rights issue as disclosed in the announcement of the Company dated 28 August 2020. Upon the completion of the said rights issue, the net proceeds raised therefrom will be used to settle the borrowings for such purchase. For details of the rights issue, please refer to the announcement of the Company dated 28 August 2020.

Delivery date

For better warehousing management of the Group, the scaffolding equipment shall be delivered by the Supplier to the warehouse of Royal Century Construction in Hong Kong by batch(es). Parties agreed that the Second Purchasing Order in the value of approximately HK\$4,700,000 shall be delivered by batch(es) to the warehouse of Royal Century Construction in Hong Kong on or before 31 December 2020.

Royal Century Construction shall give the Supplier written notice(s) in advance (“**Delivery Notice(s)**”) for the delivery of the scaffolding equipment ordered under the Second Purchasing Order and the Supplier shall deliver the relevant scaffolding equipment as specified in the Delivery Notice(s) to the warehouse of Royal Century Construction in Hong Kong within 30 to 45 days upon receipt of the relevant Delivery Notice, provided that all the scaffolding equipment ordered under the Second Purchasing Order shall be delivered on or before 31 December 2020.

Payment terms

Royal Century Construction shall pay the relevant part of the Consideration to the Supplier against each batch of delivery. Royal Century Construction shall settle all payment of the scaffolding equipment of each batch of delivery within 30 days after the issue of a Delivery Notice.

REASONS AND THE BENEFITS OF THE PURCHASE

The Company is a Hong Kong-based investment holding company. The Group is principally engaged in (i) provision of fitting out and engineering, design and procurement of furnishings and related products services; (ii) leasing of construction equipment; (iii) sourcing and merchandising of fine and rare wines; and (iv) provision of financial services.

The scaffolding equipment purchased under the Second Purchasing Order will be leased by the Group to construction companies for use in construction projects. It is in the ordinary and usual course of business of the Company to lease the scaffolding equipment. 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 has recently secured orders for leasing of the construction equipment to be used in the Third Runway Project of the Hong Kong Airport, and the Company shall require to purchase a vast amount of such scaffolding equipment to meet the upcoming demand of those orders. The Company will purchase further scaffolding equipment for leasing purpose and it will closely monitor the condition and progress. Any further purchases within the forthcoming 12-month period will be aggregated and the Company will make further announcement(s) or to comply with the relevant GEM Listing Rules requirement as and when necessary.

The Directors consider that the terms of the Purchasing Orders are on normal commercial terms following arm’s length negotiations between Royal Century Construction and the Supplier and the terms of the Purchasing Orders are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest relevant percentage ratio (as defined under the GEM Listing Rules) in respect of the Second Purchasing Order exceeds 5% but less than 25%, the Second Purchasing Order constitutes a discloseable transaction on the part of the Company which is subject to announcement requirement. As it is expected that the First Purchasing Order (which did not constitute a discloseable transaction as the highest relevant percentage ratio (as defined under the GEM Listing Rules) in respect of it was below 5%) and the Second Purchasing Order will be completed within 12-month period, the First Purchasing Order and the Second Purchasing Order 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 highest applicable percentage ratio in respect of the Purchasing Orders would exceed 5% but less than 25%, and would constitute a discloseable transaction of the Company which is subject to announcement requirement.

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 (stock code: 8125)
“Director(s)”	the director(s) of the Company
“First Purchasing Order”	the purchasing order placed by Royal Century Construction with the Supplier on 25 May 2020 for purchase of scaffolding equipment
“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
“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
“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

“Purchasing Orders”	collectively the First Purchasing Order and the Second Purchasing Order
“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
“Second Purchasing Order”	the purchasing order placed by Royal Century Construction with the Supplier on 1 September 2020 for purchase of scaffolding equipment
“Share(s)”	ordinary share(s) of the Company
“Shareholders”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplier”	Kaiping City Hong Qiang Machinery and Equipment Company Limited (開平市宏強機械設備有限公司), a company established in the PRC with limited liability and an Independent Third Party
“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, 1 September 2020

As at the date of this announcement, the executive Directors are Mr. Chan Chi Yuen (Chairman), 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.