

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



NATIONAL UNITED RESOURCES HOLDINGS LIMITED
國家聯合資源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 254)

**MEMORANDUM OF UNDERSTANDING
IN RESPECT OF A PROPOSED ACQUISITION**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board would like to announce that on 22 May 2015 (after trading hours), the Purchaser, being an indirect wholly-owned subsidiary of the Company, entered into the MOU with the Vendors, pursuant to which the Purchaser intended to purchase and the Vendors intended to sell the entire issued shares of the BVI Co for an aggregate consideration of HK\$400,000,000 (subject to valuation). The BVI Co, upon completion of the Reorganisation, will be directly or indirectly holding 60% equity interest and/or economic benefit in the Target Company, which was incorporated in the PRC and is principally engaged in the provision of an online platform for trading and deferred spot delivery services of precious metals such as silver and other associated services.

The MOU is not intended to be legally binding (save for certain provisions such as the provisions on confidentiality, exclusivity, costs and governing law). If the Purchaser proceeds with the Proposed Acquisition, it will enter into legally binding agreement(s) with the Vendors in respect of the Proposed Acquisition.

The Board wishes to emphasise that the Proposed Acquisition may or may not proceed and that the Purchaser has not entered into any binding agreement in relation to the Proposed Acquisition as at the date of this announcement. If the Proposed Acquisition materialises, it will constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company will make further announcement in respect of the Proposed Acquisition as and when appropriate in accordance with the Listing Rules.

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

INTRODUCTION

The Board would like to announce that on 22 May 2015 (after trading hours), the Purchaser entered into the MOU with the Vendors, pursuant to which the Purchaser intended to purchase and the Vendors intended to sell the entire issued shares of the BVI Co for an aggregate consideration of HK\$400,000,000 (subject to valuation). The BVI Co, upon completion of the Reorganisation, will be directly or indirectly holding 60% equity interest and/or economic benefit in the Target Company, which was incorporated in the PRC and is principally engaged in the provision of an online platform for trading and deferred spot delivery services of precious metals such as silver and other associated services.

MEMORANDUM OF UNDERSTANDING

The principal terms of the MOU are as follows:

- Date: 22 May 2015
- Parties: (1) The Purchaser
- (2) The Vendors

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendors and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

Assets to be acquired:

The Purchaser intended to purchase and the Vendors intended to sell the entire issued shares of the BVI Co. The BVI Co is a Company limited by shares incorporated in the British Virgin Islands and is principally engaged in investment holding. The BVI Co, upon completion of the Reorganisation, will be directly or indirectly holding 60% equity interest and/or economic benefit in the Target Company, which was incorporated in the PRC and is principally engaged in the provision of an online platform for trading and deferred spot delivery services of precious metals such as silver and other associated services.

Consideration:

The aggregate consideration for the Proposed Acquisition shall be HK\$400,000,000 (subject to the valuation of the Target Group to be conducted by an independent professional valuer to be appointed by the Company and the adjustments as set out in the paragraph “Profit Guarantee” in this announcement) and shall be satisfied by way of issuing Convertible Notes at the Conversion Price of HK\$0.50 per Conversion Share to the Vendors partly upon Completion and partly upon fulfilment of the Guaranteed Profit (as defined below).

Due diligence:

The Purchaser shall be entitled (but not obliged) to carry out a due diligence review (the “**Due Diligence Review**”) and investigation on each member of the Target Group including but without limitation to their assets, liabilities, contracts, commitments, business, financial, legal and other aspects.

Conditions Precedent for
the Proposed Acquisition:

Completion shall be conditional upon the fulfillment or waiver (as the case may be) of the following conditions precedent, including:

- (i) the Purchaser being satisfied with the Due Diligence Review together with the support of legal opinion(s) to be issued by reputable law firm(s) and acceptable to the Purchaser;
- (ii) the due and proper completion of the Reorganisation including obtaining approvals and consents from all the relevant governmental departments and authorities in the PRC thereto, upon such terms and conditions, to the sole and absolute satisfaction of the Purchaser before Completion;
- (iii) compliance with all other applicable laws, rules and regulations including but not limited to the Listing Rules of the transactions contemplated under the Proposed Acquisition (which may include approval of the SPA, the Proposed Acquisition, the issue of the Convertible Notes, the allotment and issue of the Conversion Shares upon exercise of the Conversion Rights and the transactions contemplated thereunder by Shareholders at an extraordinary general meeting);
- (iv) the issue of a legal opinion or legal opinions by a PRC practising law firm addressed to the Purchaser in such form and contents as may be acceptable to the Purchaser dealing with, inter alia, the due incorporation, power and capacity of the Target Company and its subsidiaries, the Reorganisation, any necessary governmental or regulatory consent, licences and approvals and compliance with all the relevant laws, rules and regulations in respect of the transactions contemplated thereunder and matters relating thereto;

- (v) the issue of audited consolidated/combined financial statements of the Target Group by an auditor appointed by the Company for the three financial years ended 31 December 2012, 31 December 2013, 31 December 2014 and for the period ended 30 April 2015 prepared in accordance with the Hong Kong Financial Reporting Standards;
- (vi) the issue of a valuation report prepared by an independent professional valuer engaged by the Company on the Target Group in respect of the valuation on its business and other assets (if applicable);
- (vii) the Purchaser not being aware of any material adverse change of the Target Group having occurred prior to the Completion or being likely to occur whether on or before the Completion;
- (viii) the grant of any necessary approvals, consents and/or waivers by the relevant governmental or regulatory authorities or bodies, whether in Hong Kong, the PRC or elsewhere (including but not limited to the Stock Exchange);
- (ix) the Stock Exchange granting or agreeing to grant listing of and permission to deal in the Conversion Shares; and
- (x) the Proposed Acquisition and the transactions contemplated thereunder will not be treated as a reverse takeover under the Listing Rules.

If the above conditions have not fulfilled or waived (except conditions (iii); (viii) to (x)) on 31 December 2015 or such later date as may be agreed by the parties to the SPA in writing), the SPA will be lapsed and any obligations of the parties under the SPA will be terminated (save for any antecedent breaches).

Subject to the Purchaser being satisfied with Due Diligence Review, the parties to the MOU will negotiate and finalise and execute the SPA within one month from the date of the MOU or such later date as the parties to the MOU may agree.

Long stop date:

The MOU shall become effective on the date of the MOU and shall terminate and be of no force on the earlier of (i) the date on which the SPA is to be executed; or (ii) 3 months from the date of the MOU or such later date as the parties to the MOU may otherwise agree in writing.

Profit Guarantee:

The Vendors undertake to the Purchaser that the consolidated net profit (after taxation and excluding any profit (loss) deriving from the discontinued operation(s) and activities not within the ordinary and usual course of business of the Target Group) as shown in the audited accounts of the Target Group for the twelve(12) full calendar months period immediately after Completion (the “**Profit Guarantee Period**”) of the Target Group as audited by the auditors appointed by the Company shall not be less than HK\$45,000,000 (the “**Guaranteed Profit**”). In the event that the actual audited consolidated net profit of the Target Group during the Profit Guarantee Period (“**Actual Profit**”) shall be less than the Guaranteed Profit, the Vendors and the Purchaser agree that the consideration for the Proposed Acquisition shall be adjusted in the following manner:

- (i) in the event that the Actual Profit falls short of the Guaranteed Profit, the principal amount of the Convertible Notes will be adjusted downward in an amount equal to the consideration multiplied by the percentage of the shortfall of the Guaranteed Profit, such percentage being equal to the percentage of the amount of the aforesaid shortfall bears to the Guaranteed Profit; and

- (ii) In the event that the Actual Profit is equal to or less than zero, the Convertible Notes (apart from the Convertible Notes that have been issued to the Vendors at Completion) will not be issued to the Vendors.

Reorganisation:

The Vendors agree that prior to Completion, the Reorganisation would be carried out among the Vendors, its subsidiaries and the Target Group that the BVI Co will be directly or indirectly holding 60% equity interest and/or economic benefit in the Target Company.

Exclusivity:

Each of the Vendors agrees that, without the prior written consent of the Purchaser, it shall not and shall procure any of its subsidiaries, BVI Co and the Target Company shall not, within 12 months after the date of the MOU (“**Exclusivity Period**”), (a) negotiate or enter into any discussions or sign, with any party, any memorandum of understanding, letter of intent, agreement or understanding or arrangements (whether legally binding or not) or continue or permit to continue any such negotiations or arrangements; and (b) accept, solicit, entertain or consider any offer or offers, in each case in respect of the sale, transfer, assignment of or otherwise deal with the shareholding interests of the Vendors in the Target Group (whether direct or indirect, in whole or in part), the interest or investment in the Target Group, or any business that is similar to the transaction contemplated by the MOU or would potentially compete with the businesses and transactions contemplated by the MOU.

Binding effect:

Save for certain provisions such as the provisions on confidentiality, exclusivity, costs and governing law, the other terms of the MOU are not intended to be legally binding.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Group is principally engaged in coking coal trading business, outdoor media advertising and media related services.

In order to diversify the business of the Group for maximizing returns to the Shareholders, the Group has been actively seeking various investment opportunities with a focus on natural resources related projects since 2014. By investing in the Target Company, it is expected that the Company can diversify its revenue sources and strengthen its foothold in the Qingdao market which may bring additional business opportunities to the Group in future.

The issue price of the Conversion Shares was determined after arm's length negotiation between the Purchaser and the Vendors, having taking into account, among other things, the past trading price history of the Company, the valuation approach of the Target Company and the strategic implications of the Target Company to the Group's future business.

The Directors consider that the terms of the MOU are fair and reasonable and that the Proposed Acquisition is in the interest of the Company and Shareholders as a whole.

GENERAL

The MOU is not intended to be legally binding (save for certain provisions such as the provisions on confidentiality, exclusivity, costs and governing law). If the Company proceeds with the Proposed Acquisition, it will enter into legally binding agreement(s) with the Vendors in respect of the Proposed Acquisition.

The Board wishes to emphasise that the Proposed Acquisition may or may not proceed and that the Purchaser has not entered into any binding agreement in relation to the Proposed Acquisition as at the date of this announcement. If the Proposed Acquisition materialises, it will constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company will make further announcement in respect of the Proposed Acquisition as and when appropriate in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms shall have the following meanings:

“Board”	the board of Directors;
“BVI Co”	Million Fortune International Investment Limited, a company limited by shares incorporated in the British Virgin Islands;
“Completion”	completion of the Proposed Acquisition;
“Company”	National United Resources Holdings Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange (Stock Code: 254);
“Convertible Notes”	the convertible notes in the aggregate principal amount of up to HK\$400,000,000 (subject to adjustments) to be issued by the Company convertible to the Conversion Shares at the Conversion Price;
“Conversion Price”	HK\$0.50 per Conversion Share;
“Conversion Rights”	the rights attached to the Convertible Notes to convert the same or a part thereof into Conversion Shares;
“Conversion Shares”	the new Shares to be allotted and issued by the Company upon exercise of the Convertible Rights;
“Director(s)”	the director(s) of the Company;

“Group”	the Company and its subsidiaries;
“Guarantors”	the ultimate beneficial owners of the Vendors, who will be guarantors to the Vendors to sign the SPA;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“MOU”	the memorandum of understanding dated 22 May 2015 entered into between the Purchaser and the Vendors in relation to the Proposed Acquisition;
“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;
“Proposed Acquisition”	the proposed acquisition by the Purchaser of the entire issued shares of the BVI Co;
“Purchaser”	Dengyi Investments Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company;
“Reorganisation”	the structural reorganisation to be carried out among the Vendors, its subsidiaries and the Target Group prior to Completion;
“Share(s)”	ordinary share(s) in the capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;

“SPA”	a formal sale and purchase agreement to be entered into amongst the Purchaser, the Vendors and the Guarantors in respect of the Proposed Acquisition and incorporating the terms of the MOU;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	青島國金貴金屬交易中心股份有限公司 (Qingdao Guojin Precious Metal Exchange Centre Company Limited*), a company incorporated in the PRC, and is principally engaged in the provision of an online platform for trading and deferred spot delivery services of precious metals such as silver and other associated services;
“Target Group”	the BVI Co and its subsidiaries (including the Target Company and its subsidiaries);
“Vendors”	(i) Antel Classification Limited, a limited company incorporated in the British Virgin Islands; (ii) World Dragon Enterprise Limited, a limited company incorporated in the Republic of Seychelles; (iii) Guojin Holdings Co., LTD, a limited company incorporated in the Republic of Seychelles; and (iv) Nuts Technology Co., Ltd, a limited company incorporated in the Republic of Seychelles; and
“%”	per cent.

By order of the Board
National United Resources Holdings Limited
Lo Ka Wai
Executive Director

Hong Kong, 22 May 2015

As at the date of this announcement, the executive Directors are Mr. Lo Ka Wai, Mr. Feng Yongming and Mr. Tang Lap Chin, Richard; the non-executive Director is Ms. Mou Ling and the independent non-executive Directors are Mr. Wang Qun, Dr. Yang Zhi Shu and Mr. Lai Ho Man, Dickson.

* for identification purposes only