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## **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)

### **ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE**

On 9 October 2015 (after trading hours), the Company and each of the Subscribers entered into the Subscription Agreements respectively in respect of the issue of and subscription for the Convertible Bonds in the aggregate principal amount of HK\$197,207,700. Completion is subject to the fulfillment of all conditions set out in the paragraph headed “Conditions Precedent” below. Detailed terms of the Convertible Bonds are set out in the paragraph headed “Principal terms of the Convertible Bonds” below.

As at the date of this announcement, the Company has a total of 5,606,660,500 Shares in issue. Assuming there is no further issue or repurchase of the Shares, based on the initial Conversion Price of HK\$0.265 per Conversion Share (subject to adjustments) and assuming full conversion of the Convertible Bonds at the initial Conversion Price, a total of 744,180,000 Conversion Shares will be issued, representing approximately 13.27% of the total number of Shares in issue as at the date of this announcement and approximately 11.72% of the total number of Shares in issue as enlarged by the issue of the Conversion Shares. The Conversion Shares will be allotted and issued pursuant to the General Mandate.

The net proceeds from the issue of the Convertible Bonds (after deducting all related expenses), are estimated to be approximately HK\$197,160,000, the Company intends to apply the net proceeds as to (i) approximately 33% for settlement of outstanding debts and related interests; (ii) approximately 47% for investment activities when such investment opportunities arise; and (iii) approximately 20% as general working capital to strengthen the Company’s financial position.

**Completion is subject to the fulfillment of conditions precedent as set out in the paragraph headed “Conditions Precedent” below. As the Subscription Agreements may or may not be completed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

On 9 October 2015 (after trading hours), the Company and each of the Subscribers entered into the Subscription Agreements respectively in respect of the issue of and subscription for the Convertible Bonds in the aggregate principal amount of HK\$197,207,700. Save for the identity of the Subscribers and the principal amount of the Convertible Bonds to be subscribed, the principal terms of each of the Subscription Agreements are substantially the same. Principal terms of the Subscription Agreements and the Convertible Bonds are set out below.

### **THE SUBSCRIPTION AGREEMENTS**

Date: 9 October 2015 (after trading hours)

Issuer: the Company

Subscribers: (i) Ultimate Advantage Limited (“**Subscriber A**”)  
(ii) Elite Fortune Global Limited (“**Subscriber B**”)

Subscriber A is a company incorporated in Republic of Seychelles, whose principal business is investment holding and is wholly and beneficially owned by Ms. Ye Hong. Subscriber A is a shareholder of a 40.80%-owned associate of the Company holding an interest of approximately 30.40%. Save as disclosed above, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, each of Subscriber A and its ultimate beneficial owner, Ms. Ye Hong is an Independent Third Party. As at the date of this announcement, Subscriber A does not have any interest in the Shares. Upon full conversion of the Convertible Bonds in the principal amount of HK\$131,471,800 to be subscribed by Subscriber A at the initial Conversion Price, Subscriber A will be interested in 496,120,000 Shares, representing approximately 7.81% of the total number of Shares as enlarged by the issue and allotment of such number of Conversion Shares (assuming there is no change in the total number of issued Shares between the date of this announcement and the date of allotment and issue of such number of Conversion Shares).

Subscriber B is a company incorporated in British Virgin Islands, whose principal business is investment holding and is wholly and beneficially owned by Mr. Wang Yi. As at the date of this announcement, Subscriber B held 259,103,845 Shares, representing 4.62% of the total number of Shares in issue. Save as disclosed above, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, each of Subscriber B and its ultimate beneficial owner, Mr. Wang Yi is an Independent Third Party. Together with 259,103,845 Shares held by Subscriber B as at the date of this announcement, upon

full conversion of the Convertible Bonds in the principal amount of HK\$65,735,900 to be subscribed by Subscriber B at the initial Conversion Price, Subscriber B will be interested in 507,163,845 Shares, representing approximately 7.99% of the total number of Shares as enlarged by the issue and allotment of such number of Conversion Shares (assuming there is no change in the total number of issued Shares between the date of this announcement and the date of allotment and issue of such number of Conversion Shares).

### **Subject matter**

Pursuant to the Subscription Agreements, subject to the fulfillment of the conditions precedent described below, the Company agreed to issue Convertible Bonds in the aggregate principal amount of HK\$197,207,700, and the Subscribers have conditionally agreed to subscribe for the Convertible Bonds in the following principal amounts:-

<b>Subscriber</b>	<b>Principal Amount of Convertible Bonds</b>
Subscriber A	HK\$131,471,800
Subscriber B	HK\$65,735,900

The net proceeds from the issue of the Convertible Bonds (after deducting all related expenses), are estimated to be approximately HK\$197,160,000, the Company intends to apply the net proceeds as to (i) approximately 33% for settlement of outstanding debts and related interests; (ii) approximately 47% for investment activities when such investment opportunities arise; and (iii) approximately 20% as general working capital to strengthen the Company's financial position.

### **Refundable Deposit**

Pursuant to the Subscription Agreements, each of the Subscribers shall pay to the Company the Refundable Deposit in the amount equivalent to the full subscription price payable by the Subscriber for the subscription of the Convertible Bonds. The Subscriber who has paid the Refundable Deposit in full is deemed, on the Completion Date, to have paid the Subscription Price in full and fully discharged its payment obligation under the Subscription Agreement. The Refundable Deposit is only refundable by the Company to the Subscriber in full if:

- (i) any conditions precedent under the Subscription Agreement is not fulfilled by the Long Stop Date; or
- (ii) there is a material breach of the Subscription Agreement by the Company.

### **Conditions Precedent**

The obligations of the Company and each Subscriber with respect to the issue and subscription of Convertible Bonds under each Subscription Agreement are conditional on:

- (i) the Refundable Deposit duly received by the Company;

- (ii) the grant of the listing of and permission to deal in the Conversion Shares by the Listing Committee of the Stock Exchange (and such listing and permission not subsequently revoked prior to the delivery of valid and definitive share certificate(s) representing the Conversion Shares to the Subscriber); and
- (iii) all relevant approvals and consents (if required) from governmental or other competent authority or in accordance with applicable laws have been obtained for the Subscription Agreement (including the issue of the Convertible Bonds).

In the event that the conditions precedent are not fulfilled in full on or before three (3) Business Days prior to the Long Stop Date (i.e. 30 October 2015):

- (i) the Company shall repay the Refundable Deposit, if any, without interest, to the Subscriber; and
- (ii) the Subscription Agreement shall terminate and no party shall be liable to the other party save for antecedent breaches.

### **Completion**

Completion under the Subscription Agreement shall take place on the Completion Date.

### **Termination**

Under the Subscription Agreements, an innocent party may after consultation with the defaulting party (to the extent that the same is reasonably practicable) terminate the Subscription Agreement without liability to defaulting party by giving notice in writing to the defaulting party if at any time prior to 3:00 p.m. on the Completion Date, there occurs any material breach of any provision of the Subscription Agreement.

In the event that the innocent party terminates the Subscription Agreement:

- (i) as a result of the default of the Company alone, the Company shall repay the Refundable Deposit, without interest, to the Subscriber; and
- (ii) all obligations of the parties under the Subscription Agreement shall cease and determine and no party shall be liable to the other party save for antecedent breaches.

**Completion is subject to the fulfillment of conditions precedent as set out in the paragraph headed “Conditions Precedent” above. As the Subscription Agreements may or may not be completed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The principal terms of the Convertible Bonds were arrived at after arm's length negotiations between the Company and the Subscribers. Set out below are the terms of the Convertible Bonds:

- Aggregate Principal amount : HK\$197,207,700.
- Maturity Date : The date falling twenty-four (24) months from the date of issue of the Convertible Bonds (or, if that is not a Business Day, the first Business Day thereafter).
- Interest rate : The Convertible Bonds bear interest from the date of issue at 4.5% per annum on the principal amount of the Convertible Bonds from time to time outstanding and payment to be made on the Maturity Date. The Convertible Bonds will cease to bear interest on the earlier of (a) the date of redemption of the Convertible Bonds by the Company; and (b) the Maturity Date. In the event that the Bondholder has converted part or whole of the principal amount of the Convertible Bonds, the Bondholder shall not be entitled to any interest in respect of such part or whole of the principal amount of the Convertible Bonds.
- Redemption : The Company may at any time before the Maturity Date and from time to time by serving at least ten (10) calendar days' prior written notice ("**Early Redemption Notice**") on the Bondholder with the total amount proposed to be redeemed from the Bondholder specified therein, redeem the Convertible Bonds (in whole or in part) at 100% of the total amount of such Convertible Bonds together with payment of interests accrued up to the date of such early redemption. Once the Early Redemption Notice is served, the Company shall not accept any request by the Bondholders relating to the conversion of the Convertible Bonds (in whole or in part).

Any principal amount of the Convertible Bonds which has not been converted in accordance with the terms and conditions of the Convertible Bonds by the Maturity Date shall be redeemed by the Company on the Maturity Date at a redemption amount equal to 100% of the principal amount of the outstanding Convertible Bonds (together with all interest accrued thereon).

Conversion Period : Any time after the date of issue of the Convertible Bonds and up to and including the Maturity Date.

Conversion Price : The initial Conversion Price is HK\$0.265 per Conversion Share, subject to the adjustments as set out and in accordance with the terms and conditions of the Convertible Bonds.

The initial conversion price of HK\$0.265 per Conversion Share represents:

- i. a discount of approximately 18.46% to the closing price of HK\$0.3250 per Share as quoted on the Stock Exchange on 9 October 2015, being the date of the Subscription Agreements;
- ii. a discount of approximately 2.93% to the average closing price of approximately HK\$0.2730 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately before the date of the Subscription Agreements; and
- iii. a discount of approximately 4.16% to the average closing price of approximately HK\$0.2765 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately before the date of the Subscription Agreements.

The Conversion Price was determined after arm's length negotiations between the Company and the Subscribers with reference to the prevailing market price of the Shares.

Adjustment events : The Conversion Price shall from time to time be subject to adjustment upon occurrence of certain events:

- i. consolidation or subdivision of Shares;
- ii. capitalization of profits or reserves;
- iii. capital distribution;
- iv. offer of new Shares for subscription by way of rights, or a grant of options or warrants to subscribe for new Shares, at a price which is less than 80% of the market price per Share to Shareholders;

- v. issue wholly for cash being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per new Share receivable is less than 80% of the market price, or the conversion, exchange or subscription rights of any such issue are altered so that the said total effective consideration receivable is less than 80% of such market price; and
- vi. issue of Shares being made wholly for cash at a price less than 80% of the market price per Share.

Conversion Shares : Based on the initial Conversion Price of HK\$0.265, a total of 744,180,000 Conversion Shares will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds in full, which represent:

- i. approximately 13.27% of the total number of Shares in issue as at the date of this announcement; and
- ii. approximately 11.72% of the total number of Shares in issue as enlarged by the allotment and issue of the Conversion Shares upon exercise of the conversion right attaching to the Convertible Bonds in full.

The Conversion Shares shall be allotted and issued pursuant to the General Mandate.

Conversion rights : The Bondholder may at any time during the Conversion Period require the Company to convert the whole or any part of the principal amount outstanding (in minimum amount of HK\$100,000 or whole multiple thereof) under the Convertible Bonds into Shares. The Conversion Shares shall be allotted and issued in board lots in the name of the Bondholder or if it so directs any other persons pursuant to such conversion and shall be delivered to the Bondholder within fourteen (14) Business Days after the date of presentation of the relevant original certificate issued in respect of the Convertible Bonds. Any balance of the Convertible Bonds not converted shall be returned to the Bondholder.

No fraction of a Share will be issued on conversion and no cash adjustments will be made in respect thereof. The Conversion Shares shall be entitled to all dividends, bonuses and other distributions the record date of which falls on a date on or after the date of issue and allotment of the Conversion Shares.

Conversion restrictions :

Upon exercise of the conversion rights attaching to the Convertible Bonds,

- i. the Bondholders and their respective associates, together with parties acting in concert (as defined in the Takeovers Code) with them, will not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code;
- ii. the public float of the Company will not be unable to meet the relevant requirements under the Listing Rules;
- iii. no conversion rights may be exercised by any person who is a restricted holder (where a Bondholder who is a resident or national of any jurisdiction other than Hong Kong under the laws and regulations of which an exercise of the conversion rights by such Bondholder or the performance by the Company of the obligations expressed to be assumed by it under the conditions or the allotment and issue and holding of the Conversion Shares cannot be carried out lawfully or cannot be carried out lawfully without the Company first having to take certain actions in such jurisdiction.), and the exercise of any conversion rights by the Bondholder shall constitute a confirmation, representation and warranty by it to the Company that it is not a restricted holder and that all necessary governmental, regulatory or other consents or approvals and all formalities have been obtained and observed by it to enable it to exercise legally and validly the relevant conversion rights, to hold the Conversion Shares allotted and issued upon exercise of the conversion rights, and the Company to legally and validly allot and issue the Conversion Shares.



In the event that the number of Conversion Shares fall to be issued upon the exercise of the Conversion Rights based on the Conversion Price exceeds the number of Shares that are issuable under the General Mandate (the shortfall Conversion Shares shall be referred to as “**Exceeded Conversion Shares**”), the conversion rights attached to the principal amount of the Convertible Bonds attributable to the Exceeded Conversion Shares (which shall be calculated by multiplying the number of Exceeded Conversion Shares with the then Conversion Price) shall cease. Under such circumstances, the Company will process the conversion notices in respect of exercise of conversion rights attached to the Convertible Bonds received after the effective date of the adjustments on a first-come-first-served basis (provided that the maximum aggregate number of Conversion Shares that can be allotted and issued under the Convertible Bonds shall not exceed the number of Shares issuable under the General Mandate) and the relevant Bondholder (of the Convertible Bonds attributable to the Exceeded Conversion Shares) will receive redemption amount in cash for such principal amount and accrued interest on the earlier of (i) the Maturity Date and (ii) the date on which the Company early redeems the Convertible Bonds.

- Ranking : The Conversion Shares issued upon exercise of conversion rights attaching to the Convertible Bonds shall be free from any Encumbrance and will rank pari passu in all respects with all other existing Shares outstanding at the date of the conversion notice and all Conversion Shares shall include rights to participate in all dividends, bonuses and other distributions the record date of which falls on or after the date of issue and allotment of the Conversion Shares.
- Voting : The Bondholders shall not be entitled to attend or vote at any meetings of the Company by reason only of being the holders of the Convertible Bonds.
- Transferability : The Convertible Bonds are assignable and transferable subject to the applicable laws and regulations, and the Listing Rules, provided always that no transfer or assignment of the Convertible Bonds shall be made to any connected person of the Company (as defined in the Listing Rules).

- Listing : No application will be made by the Company to the Stock Exchange for listing of the Convertible Bonds. Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares.
- Event of Default : If, among others, any of the following events occurs, the Bondholder(s) may, prior to the Maturity Date, give notice to the Company that the Convertible Bonds are due and payable at its principal amount together with any accrued interest calculated up to and including the date of repayment:
- i. the Company fails to pay the principal when due or the Company fails to pay interest on the Convertible Bonds when due unless non-payment of such interest is due solely to administrative or technical error and payment is made within 14 Business Days of the due date thereof; or
  - ii. the Company defaults in performance or observance or compliance with any of its other obligations set out herein which default is incapable of remedy or, if capable of remedy, is not in the reasonable opinion of the Bondholder remedied within 14 Business Days after notice of such default shall have been given to the Company by such Bondholder; or
  - iii. an encumbrancer takes possession or a receiver, manager or other similar officer is appointed on the whole or any substantial part of the undertaking, property, assets or revenues of the Company or its subsidiaries (“**Major Subsidiaries**”) with net asset value as shown in the respective latest published accounts thereof amounts to 50% or more of that of the Company; or

- iv. the Company or any of its Major Subsidiaries becomes insolvent or is unable to pay its debts as they mature or applies for consents to or suffers the appointment of any administrator, liquidator or receiver of the Company or its Major Subsidiaries on the whole or any part of the undertaking, property, assets or revenues of the Company or its Major Subsidiaries or takes any proceeding under any law for readjustment or deferment of its obligations or any part of them or makes or enters into a general assignment or compromise with or for the benefit of its creditors; or
- v an order is made or an effective resolution passed for winding-up of the Company or any of its Major Subsidiaries except in the case of winding-up for the purpose of the reorganisation of the Group structure of the Company and its Major Subsidiaries; or
- vi a moratorium is agreed or declared in respect of any indebtedness of the Company or any of its Major Subsidiaries or any governmental authority or agency condemns, seizes, compulsorily purchases or expropriates all or a substantial part of the assets of the Company or any of its Major Subsidiaries; or
- vii suspension of trading of the Shares on the Stock Exchange or a recognised stock exchange for a continuous period of 20 Business Days and which will constitute a material adverse effect on the Group's business, operations, assets, financial condition; or
- viii the Shares (as a class) cease to be listed on the Stock Exchange or a recognised stock exchange.

## **REASONS FOR THE ISSUE OF CONVERTIBLE BONDS AND USE OF PROCEEDS**

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

The net proceeds from the issue of the Convertible Bonds (after deducting all related expenses), are estimated to be approximately HK\$197,160,000, the Company intends to apply the net proceeds as to (i) approximately 33% for settlement of outstanding debts and related interests; (ii) approximately 47% for investment activities when such investment opportunities arise; and (iii) approximately 20% as general working capital to strengthen the Company's financial position. The net price to the Company for each Conversion Share is approximately HK\$0.265.

The Directors are of the view that the issue of the Convertible Bonds represents a good opportunity for the Company to raise funds to strengthen its financial position as well as to provide further funding to the Group for its development and investment with an objective to provide attractive returns for the Shareholders. The Directors have considered various ways of raising funds in the capital market and consider that the issue of the Convertible Bonds is an appropriate means of raising additional capital for the Company since (i) they will not have an immediate dilution effect on the shareholding of the existing Shareholders; and (ii) if the conversion rights attaching to the Convertible Bonds are exercised, the shareholder base of the Company will be enlarged and the financial position of the Group will be improved for establishing and strengthening the existing and future business of the Group.

The Directors consider that the terms (including the initial Conversion Price) of the Subscription Agreements and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

#### **EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY**

The following table illustrates the shareholding structure of the Company as at the date of this announcement and immediately after the full conversion of the Convertible Bonds at the initial Conversion Price of HK\$0.265 per Conversion Share (assuming there being no other change in the shareholding structure and share capital of the Company immediately after the date of this announcement and up to the full conversion of the Convertible Bonds):

Shareholders	As at the date of this announcement		Immediately after the full conversion of the Convertible Bonds at the initial Conversion Price	
	<i>Number of Shares</i>	%	<i>Number of Shares</i>	%
<b><i>Substantial Shareholder</i></b>				
Yang Fan	810,759,648	14.46	810,759,648	12.77
Choi Chung Lam	323,600,000	5.77	323,600,000	5.10
<b><i>Subscribers</i></b>				
Subscriber A	-	-	496,120,000	7.81
Subscriber B	259,103,845	4.62	507,163,845	7.99
<b><i>Other Public shareholders</i></b>	4,213,197,007	75.15	4,213,197,007	66.33
<b>Total</b>	<u>5,606,660,500</u>	<u>100.00</u>	<u>6,350,840,500</u>	<u>100.00</u>

#### **EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE-MONTH PERIOD**

Save for equity fund raising activities mentioned below, the Company has not carried out any other equity fund raising activities in the past twelve-month period immediately preceding the date of this announcement.

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds raised (approximately)</b>	<b>Intended use of proceeds</b>	<b>Actual use of the net proceeds</b>
22 May 2015 and 14 July 2015	Open offer on the basis of one offer share for every two shares held on the then record date at an offer price of HK\$0.26 per offer share	HK\$475,000,000	<ol style="list-style-type: none"> <li>1. As to approximately HK\$174,500,000 for the settlement of outstanding debts and its related interests;</li> <li>2. As to approximately HK\$258,500,000 for the investment activities when such investment opportunities arise; and</li> <li>3. As to approximately HK\$42,000,000 for general working capital.</li> </ol>	<ol style="list-style-type: none"> <li>1. Approximately HK\$22,300,000 has been used for settlement of outstanding debts and related interests, and approximately HK\$152,200,000 has not yet been utilized and is currently placed with bank and to be used as intended;</li> <li>2. Approximately HK\$58,000,000 was used for investment and approximately HK\$200,500,000 has not yet been utilized and is currently placed with bank and to be used as intended; and</li> <li>3. Not yet been utilized and is currently placed with bank and to be used as intended.</li> </ol>

16 April 2015	Issue of 600,000,000 new Shares by way of subscription at HK\$0.262 each	HK\$157,170,000	1. As to approximately HK\$56,000,000 for settlement of debt and related interests;	1. Approximately HK\$53,000,000 has been used for settlement of debt and related interest, and approximately HK\$3,000,000 has not yet been utilized and is currently placed with bank and to be used as intended;
			2. As to approximately HK\$81,000,000 for settlement of the first tranche consideration in the acquisition of 56,102,000 shares of SouthGobi Resources Limited; and	2. Since the sale and purchase agreement was lapsed as some of the conditions precedent have not been satisfied or waived on or before 30 April 2015 (Details are set out in the announcement of the Company dated 3 May 2015), the net proceeds of approximately HK\$57,500,000 was used as general working capital of the Group and the remaining balance of approximately HK\$23,500,000 has yet been utilized and is currently placed with bank and to be used for general working capital of the Group; and

			3. As to approximately HK\$20,170,000 as general working capital of the Group.	3. Used as intended
28 October 2014, 29 October 2014 and 25 November 2014	Issue of 389,460,000 new Shares by way of subscription at a price of HK\$0.23 each	HK\$89,400,000	1. HK\$75,000,000 as the partial consideration for the discloseable transaction in relation to the acquisition of the entire issued share capital of Able Nice International Limited; and	1. Since the sale and purchase agreement was lapsed as some of the conditions precedent have not been satisfied or waived on or before 31 March 2015 (Details are set out in the announcement of the Company dated 31 March 2015), \$75,000,000 was used as working capital of the Group; and
			2. HK\$14,400,000 as general working capital of the Group	2. Used as intended
28 October 2014, 14 November 2014 and 25 November 2014	Placing of convertible bonds in the aggregate principal amount of HK\$30,000,000	HK\$28,800,000	As general working capital of the Group	Used as intended

## **GENERAL MANDATE TO ISSUE THE CONVERSION SHARES UPON CONVERSION OF THE CONVERTIBLE BONDS**

At the annual general meeting of the Company held on 1 June 2015, a resolution of the Shareholders was passed to grant to the Directors a general mandate to allot, issue and otherwise deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing such resolution. The Company is authorized to issue 744,193,400 Shares under the General Mandate.



As at the date of this announcement, the Company has not exercised the power to allot and issue any new Shares under the General Mandate. Upon the exercise of the conversion rights of the Convertible Bonds, the Conversion Shares will be allotted and issued pursuant to the General Mandate. Therefore, the issue and allotment of the Conversion Shares upon conversion of the Convertible Bonds is not subject to the approval of the Shareholders.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Bondholder(s)”	holder(s) of the Convertible Bonds
“Business Day(s)”	any day (excluding a Saturday) on which banks generally are open for business in Hong Kong during normal working hours
“Company”	National United Resources Holdings Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on Main Board of the Stock Exchange
“Completion”	completion of the Subscription Agreements
“Completion Date”	the date on which the Convertible Bonds will be issued to the Subscriber, in any event no later than the Long Stop Date unless otherwise agreed between the Company and the Subscriber
“Conversion Period”	the period commencing from the date of issue of the Convertible Bonds and up to and including the Maturity Date
“Conversion Price”	the conversion price of the Convertible Bonds, which is initially set at HK\$0.265 per Conversion Share (subject to adjustment)
“Conversion Shares”	the new Shares which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds

“Convertible Bonds”	the 4.5% coupon convertible bonds in the aggregate principal amount of HK\$197,207,700 to be issued by the Company to the Subscribers pursuant to the Subscription Agreements
“Director(s)”	director(s) of the Company
“Encumbrance”	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or any other type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect
“General Mandate”	the general mandate for the Directors to allot and issue Shares authorized by the Shareholders at the annual general meeting of the Company held on 1 June 2015
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), 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 person(s) (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the day means the day falling 21 calendar days after the date of the Subscription Agreement (i.e. 30 October 2015) or such other date as may be mutually agreed between the parties
“Maturity Date”	the date falling on the twenty-four (24) months from the date of issue of the Convertible Bonds
“Refundable Deposit”	the refundable deposit payable by the Subscribers pursuant to the Subscription Agreements, being an amount equivalent to the full subscription price payable by such Subscriber for the subscription of the Convertible Bonds

“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber A”	Ultimate Advantage Limited
“Subscriber B”	Elite Fortune Global Limited
“Subscribers”	collectively, the Subscriber A and the Subscriber B and a “ <b>Subscriber</b> ” means any or each of them
“Subscription Agreements”	two conditional subscription agreements each dated 9 October 2015 and entered into between the Company and each of the Subscribers and a “ <b>Subscription Agreement</b> ” means any or each of them
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 9 October 2015

*As at the date of this notice, the executive Directors are Mr. Lo Ka Wai, Mr. Feng Yongming, Mr. Li Hui and Mr. Tian Songlin; the non-executive Directors are Ms. Mou Ling and Mr. Yang Liu; and the independent non-executive Directors are Mr. Wang Qun, Dr. Yang Zhi Shu and Mr. Lai Ho Man, Dickson.*