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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)

MAJOR TRANSACTION
ACQUISITION OF ENTIRE ISSUED SHARE CAPITAL OF
GEAR WORLD DEVELOPMENT LIMITED

Financial adviser



THE SALE AND PURCHASE AGREEMENT

Reference is made to the announcement of the Company dated 18 December 2015 in relation to, amongst other things, the entering into the MOU in relation to the Acquisition.

The Board is pleased to announce that on 15 January 2016 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company), the Vendors and the Guarantors entered into the Sale and Purchase Agreement, pursuant to which the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the

Sale Shares, representing the entire issued share capital of the BVI Co at a consideration of HK\$800 million, which shall be satisfied by (i) the payment of Cash Considerations; and (ii) the issuance of the Convertible Bonds. The BVI Co, upon completion of the Reorganisation, will indirectly own the entire equity interest in the Target Company, the Target Company will own 49% of the equity interest of TMTC Travel which is principally engaged in the provision of tour bus services, passenger operation and car rental services. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

As one or more of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The GM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the Acquisition, the issuance of the Convertible Bonds and the grant of the Specific Mandate. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, no Shareholder is required to abstain from voting on the resolution(s) to be proposed at the GM.

A circular containing, among other things, (i) further details of the Acquisition and (ii) the notice of the GM will be despatched to the Shareholders on or before 31 March 2016 as more time is required to prepare the relevant financial and other information to be included in the circular under the Listing Rules.

As Completion is subject to fulfilment of a number of Conditions, the Acquisition may or may not proceed. Shareholders and potential investors are urged to exercise extreme caution when dealing in the Shares.

INTRODUCTION

Reference is made to the announcement of the Company dated 18 December 2015 in relation to, amongst other things, the entering into the MOU in relation to the Acquisition.

The Board is pleased to announce that on 15 January 2016 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company), the Vendors and the Guarantors entered into the Sale and Purchase Agreement, pursuant to which the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued share capital of the BVI Co at a consideration of HK\$800 million, which shall be satisfied by (i) the payment of Cash Considerations; and (ii) the issuance of the Convertible Bonds. The principal terms of the Sale and Purchase Agreement are set out below.

THE SALE AND PURCHASE AGREEMENT

Date: 15 January 2016

Parties: (i) Vendor I and Vendor II;
(ii) the Guarantors; and
(iii) the Purchaser.

As at the date of the Sale and Purchase Agreement, each of Vendor I and Vendor II, is holding 50% of the issued share capital in the BVI Co respectively. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendors and the Guarantors is an Independent Third Party.

Assets to be acquired

Pursuant to the Sale and Purchase Agreement, the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued share capital of the BVI Co. In other words, each of Vendor I and Vendor II, will sell 5,000 Sale Shares to the Purchaser respectively.

Consideration and payment terms

The Consideration for purchasing the Sale Shares shall be not more than HK\$800 million and subject to downward adjustments (as detailed in the section headed “Guaranteed Profit and Adjustment to the Consideration” below) in accordance with the Sale and Purchase Agreement. The Consideration was determined after arm’s length negotiations between the Company and the Vendors after taking into account, among others, (i) the Guaranteed Profit; (ii) the operating performance of the Target Group including but not limited to the scale and number of customers using car rental and shuttle bus services and the leading position of TMTC Group in the car rental and shuttle bus services market in the PRC; (iii) the business prospect of the Target Group; (iv) the payment terms of the Consideration; and (v) the reasons and benefits of the Acquisition as stated under the section headed “Reasons for and benefits of the Acquisition”.

The Consideration of not more than HK\$800 million is subject to downward adjustments, each of the Vendors will be entitled to its share of consideration in proportion to their respective shareholding in the BVI Co. The Consideration will be settled in the following manner:

1. Within five (5) Business Days from the date of the Sale and Purchase Agreement:
 - (a) the Purchaser shall pay HK\$30 million in cash to the Vendors as refundable Advance Payment and such refundable Advance Payment shall become part of the Consideration upon the Completion Date. If any of the Conditions cannot be fulfilled on or before the Long Stop Date or the Sale and Purchase Agreement is terminated early, the Advance Payment will be refunded to the Purchaser by the Vendors without interest within five (5) Business Days after the Long Stop Date or early termination of the Sale and Purchase Agreement, whichever is earlier.

2. Upon Completion:
 - (a) an amount of HK\$30 million will be settled in cash as Cash Consideration A (after deducting the Advance Payment) on Completion Date; and
 - (b) an amount of HK\$140 million will be settled by the issuance of the Convertible Bond A within five (5) Business Days from the Completion Date.

3. Within five (5) Business Days after fifteen (15) months from the Completion Date:
 - (a) an amount of not exceeding HK\$90 million will be settled in cash as Cash Consideration B; and
 - (b) an amount of not exceeding HK\$190 million will be settled by the issuance of the Convertible Bond B.

4. Within five (5) Business Days after twenty-seven (27) months from the Completion Date:
 - (a) an amount of not exceeding HK\$90 million will be settled in cash as Cash Consideration C; and
 - (b) an amount of not exceeding HK\$230 million will be settled by the issuance of the Convertible Bond C.

The Vendors guarantee and warrant to the Purchaser that the Net Profit for each of the Relevant Periods shall meet the respective Guaranteed Profit. In the event that any of the Net Profit do not meet the Guaranteed Profit in respect of the respective Relevant Periods, the respective principal amount of the Cash Consideration B/Cash Consideration C and/or the Convertible Bond B/Convertible Bond C will be adjusted in accordance with the adjustment mechanism set out in the Sale and Purchase Agreement as disclosed in this announcement under the section headed “Guaranteed Profit and Adjustment to the Consideration” below.

The Directors consider that the Consideration is fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

Guaranteed Profit and Adjustment to the Consideration

Guaranteed Profit for each of the First Relevant Period and the Second Relevant Period is HK\$80 million and HK\$100 million respectively.

(A) With respect to the adjustment in relation to the First Relevant Period,

- (i) in the event that the Net Profit for the First Relevant Period is equal to or more than HK\$80 million, no adjustment shall be made to the Cash Consideration B and Convertible Bond B;
- (ii) in the event that the Net Profit for the First Relevant Period is less than HK\$80 million, the adjusted aggregate principal amount of the Cash Consideration B and Convertible Bond B will be determined in accordance with the following formula:

$$X = \frac{NP1}{GP1} \times \text{HK\$280 million}$$

- X : the adjusted aggregate principal amount of Cash Consideration B and Convertible Bond B
- NP1 : Net Profit for the First Relevant Period
- GP1 : Guaranteed Profit for the First Relevant Period (i.e. HK\$80 million)

- (a) if the amount of X is greater than HK\$190 million, no adjustment shall be made to the principal amount of Convertible Bond B, while the Purchaser shall have the right to adjust the amount of Cash Consideration B to the amount equivalent to X minus HK\$190 million (the “Adjusted CCB”), in this case, the Purchaser shall settle the amount equal to the Adjusted CCB by cash as Cash Consideration B within five (5) Business Days after 15 months from the Completion Date; and
- (b) if the amount of X is less than or equal to HK\$190 million, the principal amount of Convertible Bond B shall be adjust to the amount equal to X (the “Adjusted CBB”) and the Cash Consideration B shall be cancelled.

In the event that the Net Profit for the First Relevant Period is or falls below zero, the Cash Consideration B shall be cancelled and no Convertible Bond B shall be issued to the Vendors.

(B) With respect to the adjustment in relation to the Second Relevant Period,

(i) in the event that the Net Profit for the Second Relevant Period is equal to or more than HK\$100 million, no adjustment shall be made to the principal amount of the Cash Consideration C and Convertible Bond C;

(ii) in the event that (a) the Net Profit for the First Relevant Period is less than HK\$80 million (but no loss is recorded); and (b) the Net Profit for the Second Relevant Period exceeds the Guaranteed Profit for the Second Relevant Period (i.e. HK\$100 million); and

(a) if situation as described in sub-paragraph (A)(ii)(a) above is applied, in addition to the settlement of Cash Consideration C and issuance of the Convertible Bond C, an amount of cash should be paid to the Vendors based on the following formula:

$$X1 = \frac{(NP2 - GP2)}{GP1} \times \text{HK\$280 million}$$

X1 : aggregate amount of cash to be paid to the Vendors (but such amount shall be not more than HK\$90 million minus the Adjusted CCB)

NP2 : Net Profit for the Second Relevant Period

GP2 : Guaranteed Profit for the Second Relevant Period (i.e. HK\$100 million)

GP1 : Guaranteed Profit for the First Relevant Period (i.e. HK\$80 million)

(b) if situation as described in sub-paragraph (A)(ii)(b) above is applied, in addition to the settlement of Cash Consideration C and issuance of the Convertible Bond C, an amount of convertible bonds and/or cash should be issued/paid to the Vendors based on the following formula:

$$Y1 = \frac{(NP2 - GP2)}{GP1} \times \text{HK\$280 million}$$

- Y1 : aggregate amount of convertible bonds and/or cash to be issued/paid to the Vendors (but such amount shall be not more than the amount equal to HK\$280 million minus Adjusted CBB)
- NP2 : Net Profit for the Second Relevant Period
- GP2 : Guaranteed Profit for the Second Relevant Period (i.e. HK\$100 million)
- GP1 : Guaranteed Profit for the First Relevant Period (i.e. HK\$80 million)

which the amount up to HK\$190 million minus Adjusted CBB shall be satisfied by way of issuance of convertible bonds and the remaining amount (if any) shall be settled in cash.

- (iii) in the event that (a) the Net Profit in the First Relevant Period is or falls below zero; and (b) the Net Profit for the Second Relevant Period exceeds the Guaranteed Profit for the Second Relevant Period (i.e. HK\$100 million), in addition to the settlement of Cash Consideration C and issuance of the Convertible Bond C, an amount of convertible bonds and/or cash should be issued/paid to the Vendors based on the following formula:

$$Z = \frac{(NP2 - GP2 - L1)}{GP1} \times \text{HK\$280 million}$$

- Z : aggregate amount of convertible bonds and/or cash to be issued/paid to the Vendors (such amount shall be not more than HK\$280 million)
- NP2 : Net Profit for the Second Relevant Period
- GP2 : Guaranteed Profit for the Second Relevant Period (i.e. HK\$100 million)
- L1 : Loss recorded for the First Relevant Period
- GP1 : Guaranteed Profit for the First Relevant Period (i.e. HK\$80 million)

which the amount up to HK\$190 million shall be satisfied by way of issuance of convertible bonds and the remaining amount (if any) shall be settled in cash, provided that the portion settle in cash shall be not more than the amount of HK\$90 million.

- (iv) in the event that the Net Profit for the Second Relevant Period is less than the Guaranteed Profit for the Second Relevant Period (i.e. HK\$100 million), the Purchaser/the Company shall have the right to adjust the aggregate amount of Cash Consideration C and the Convertible Bond C in accordance with the following formula:

$$X2 = \frac{NP2}{GP2} \times \text{HK\$320 million}$$

X2 : aggregate amount of Cash Consideration C and the principal amount of the Convertible Bond C to be paid/issued to the Vendors
NP2 : Net Profit for the Second Relevant Period
GP2 : Guaranteed Profit for the Second Relevant Period (i.e. HK\$100 million)

- If the amount of X2 is more than HK\$230 million, no adjustment shall be made to the principal amount of the Convertible Bond C, and the Purchaser shall have the right to adjust the amount of Cash Consideration C to the amount equal to X2 minus HK\$230 million, and the Purchaser shall settle such amount as Cash Consideration C within five (5) Business Days after twenty-seven (27) months from the Completion Date;
- If the amount of X2 is or less than or equal to HK\$230 million, the principal amount of the Convertible Bond C shall be adjusted to the amount equal to X2 and Cash Consideration C shall be cancelled.

- (v) In the event that the Net Profit for the Second Relevant Period is or falls below zero (even the Net Profit for the First Relevant Period exceed the Guaranteed Profit for the First Relevant Period (i.e. HK\$80 million)), no Cash Consideration C/ Convertible Bond C shall be paid/issued to the Vendors.

Conditions precedent of the Sale and Purchase Agreement

Completion shall be conditional upon the fulfillment of the following Conditions:

- (a) the Sale and Purchase Agreement and the transactions contemplated thereunder (including the Acquisition, issuance of the Convertible Bonds and the grant of Specific Mandate to allot and issue the Conversion Shares) having been approved by the Shareholders at the GM;
- (b) the completion of the Reorganisation (written agreement/approval shall be obtained from the Purchaser if there is any changes in Reorganisation) and all of the approvals and filings in respect of the Reorganisation having been obtained;
- (c) the shareholders' loan (if any) due from any members of the Target Group at the time of Completion having been capitalized or waived or assigned to the Purchaser or its nominated person(s) (as the case may be);
- (d) the members of the Target Group having obtained all necessary certificates, permits, approvals, licenses and/or relevant documents in respect of its operation and such documents remain effective;
- (e) each of the Vendors having obtained all necessary approvals, authorizations consents from and completed all necessary registrations and filings (if applicable) with the governmental authorities bodies (including but not limited to the governmental authorities or regulatory bodies in the PRC), its shareholder or any third parties in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder;
- (f) the Purchaser being reasonably satisfied with the results of the due diligence on the Target Group;
- (g) the Purchaser having obtained a legal opinion issued by qualified PRC legal advisers engaged by the Purchaser with respect to (i) the Sale and Purchase Agreement and the transactions contemplated thereunder; and (ii) the shareholding of structure, legality and validity, capital contribution, business, taxation matters, legality of the assets, environmental protection, approvals and licenses, etc. in respect of the companies within the Target Group which were established in the PRC, in such substance to the reasonable satisfaction of the Purchaser;

- (h) the memorandum and articles of TMTC Travel having been amended or all the shareholders of TMTC Travel (other than the Target Company) having provided a legally binding writing undertaking, pursuant to which all the shareholders of TMTC Travel (other than the Target Company) shall give up their rights in relation to the daily management and operation of TMTC Travel, including the rights to nominate directors, supervisors, legal representative and other senior management of TMTC Travel and all of the directors, supervisors, legal representative and other senior management of TMTC Travel shall be appointed by the Target Company, and all the approvals and filings in respect of the amendments to the memorandum and articles of TMTC Travel having been obtained;
- (i) the Vendors having delivered to the Purchaser, in respect of any members within the Target Group which were incorporated in the BVI, the certificates of good standing and certificates of incumbency, and such certificates being dated not more than ten (10) Business Days before the Completion Date;
- (j) since the date of the Sale and Purchase Agreement and up to the Completion Date:
 - (1) there being no adverse change in the business, assets, financial position and operation of the Target Group which the Purchaser reasonably consider to be material to the Sale and Purchase Agreement and the transactions contemplated thereunder;
 - (2) there being no on-going or pending investigation, action, arbitration, claim or any other legal proceeding, whether initiated or threatened to be initiated by any court, adjudication board or tribunal or any governmental authority of competent jurisdiction, which the Purchaser reasonably consider to be material to the Sale and Purchase Agreement and the transactions contemplated thereunder;
 - (3) there being no event or circumstance which causes any warranty given by the Vendors in the Sale and Purchase Agreement to be materially untrue or inaccurate; and there being no event or circumstance which the Purchaser reasonably consider may cause a Material Adverse Change; and
 - (4) there being no proposed enactment, promulgation or enforcement by any authority of any ordinances, rules, orders, judgments, notices or awards, which prohibits, restricts or materially delays the execution or performance of the Sale and Purchase Agreement and the transactions contemplated thereunder by the Vendors;

- (k) the Vendors having confirmed to the Purchaser in writing that Conditions referred to in sub-paragraphs (e) and (j) above (if not waived) have been satisfied as at Completion; and
- (l) the listing of and permission to deal in all of the Conversion Shares having been granted by the Stock Exchange and such grant has not been revoked as at the Completion Date.

The Purchaser may waive the Condition referred to in sub-paragraphs (f) above at any time before the Long Stop Date by notice in writing to the Vendors. Save as aforesaid, none of the above Conditions is waivable by the Parties.

If any of the above Conditions has not been fulfilled (or as the case may be, waived pursuant to the Sale and Purchase Agreement) on or before the Long Stop Date (or such later date as may be agreed by the Purchaser and the Vendors in writing), then the Sale and Purchase Agreement shall lapse immediately thereafter and be of no further effect and the Advance Payment shall be refunded to the Purchaser by the Vendors without interest within five (5) Business Days from the Long Stop Date or the date of termination of the Sale and Purchase Agreement (if earlier). Neither party to the Sale and Purchase Agreement shall have any claim against or liability or obligation to the other party under the Sale and Purchase Agreement save for any antecedent breaches.

Completion

Subject to the fulfillment of the Conditions, Completion shall take place on the Completion Date. Upon Completion, the BVI Co will be wholly-owned by the Purchaser and become an indirect wholly-owned subsidiaries of the Company.

Guarantees

The Guarantors, as the Vendors' guarantors, guaranteed to the Purchaser the due performance of the Vendors' obligations under the Sale and Purchase Agreement.

THE CONVERTIBLE BONDS

Pursuant to the Sale and Purchase Agreement, an aggregate amount of not more than HK\$560 million will be settled by way of the issuance of the Convertible Bonds. The principal terms of the Convertible Bonds, which have been negotiated on an arm's length basis, are summarised as follow:

Issuer	:	the Company
Maximum aggregate principal amount	:	Convertible Bond A: HK\$140 million Convertible Bond B: HK\$190 million Convertible Bond C: HK\$230 million
Interest	:	bear interest from the issue date at the rate of 3% per annum on the outstanding principal amount of each of the Convertible Bonds. The interest will be payable by the Company on the maturity date as set out below. If such day falls on a statutory holiday or rest day, the interest payment date shall be postponed to the first working day immediately thereafter. In the event that the Convertible Bondholder(s) exercise the conversion rights attached to the Convertible Bonds, the relevant Convertible Bonds shall bear no interest
Maturity date	:	the date falling on the third anniversary of the date of issuance of the Convertible Bonds.
Conversion Shares	:	Convertible Bond A: the Convertible Bond A are convertible into 466,666,666 Conversion Shares based on the maximum aggregate principal amount of the Convertible Bond A of HK\$140 million and the Conversion Price. Convertible Bond B: the Convertible Bond B are convertible into 633,333,333 Conversion Shares based on the maximum aggregate principal amount of the Convertible Bond B of HK\$190 million and the Conversion Price.

Convertible Bond C: the Convertible Bond C are convertible into 766,666,666 Conversion Shares based on the maximum aggregate principal amount of the Convertible Bond C of HK\$230 million and the Conversion Price.

Conversion Rights : the Convertible Bondholder(s) will have the right to convert the whole or part of the outstanding principal amount of the Convertible Bonds (in the amount of HK\$5,000,000 or integral multiples thereof) at any time during the period commencing from the date of issue of the Convertible Bonds up to 4:00 p.m. on the maturity date, provided that the Convertible Bonds may not be converted, to the extent if such conversion would result in (a) the Company's non-compliance with the minimum public shareholding requirement stipulated under the Listing Rules; or (b) a Convertible Bondholder and parties acting in concert with it, taken together, will directly or indirectly, control or be interested in such percentage of the issued share capital of the Company as from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer.

Conversion Price : HK\$0.30 per Conversion Share, subject to anti-dilutive adjustments upon the occurrence of any of the following events:

- (i) consolidation or subdivision of Shares;
- (ii) issue (other than in lieu of the whole or part of a cash dividend and other than issue that would amount to a capital distribution) of Shares credited as fully paid to Shareholders by way of capitalization of profits or reserves (including any share premium account or capital redemption reserve fund);
- (iii) capital distribution to Shareholders being made by the Company;

- (iv) an offer or grant being made by the Company to the Shareholders by ways of rights, any options, warrants to subscribe for the purchase any Shares, in each case at price less than 65% of the market price of the Shares;
- (v) issue wholly for cash being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for Shares, at a consideration per Share which is less than 65% of the market price of the Shares, or the conversion, exchange or subscription rights of any such securities (other than in accordance with the terms applicable thereto) are altered or modified so that the consideration per Share is less than 65% of the market price of the Shares;
- (vi) issue of Shares being made wholly for cash at a price less than 65% of the market price of the Shares; and
- (vii) an offer or invitation being made by the Company to the Shareholders to tender for sale to the Company any Shares or if the Company shall purchase of any Shares or securities convertible in Shares to any rights to acquire Shares.

Transferability : Convertible Bonds shall be transferrable to any party other than a connected person of the Company with the prior written consent of the issuer.

Ranking : the Conversion Shares, when allotted and issued, will rank *pari passu* in all respects with all existing Shares in issue on the date of allotment and issue of such Conversion Shares. There shall be no restriction for subsequent sale of the Conversion Shares.

- Voting rights : the Convertible Bondholder will not be entitled to attend or vote at any general meetings of the Company by reason only of it being the Convertible Bondholder.
- Redemption : the Company may at any time before the maturity date, by serving at least five (5) days' prior written notice on the Convertible Bondholders with the total amount proposed to be redeemed from the Convertible Bondholders specified therein, redeem Convertible Bonds (in whole or in part) at 100% of the principal amount of the Convertible Bonds to be redeemed, plus relevant interest that accrued and yet to settle
- Listing : No application will be made by the Company for the listing of the Convertible Bonds on the Stock Exchange. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Assuming no adjustment will be made in respect of the Conversion Price. Subject to the adjustments set out in the section headed "The Sale and Purchase Agreement – Guaranteed Profit and Adjustment to the Consideration", not more than 1,866,666,665 Conversion Shares in aggregate will be issued and allotted to the Convertible Bondholder(s) upon exercise in full of the conversion rights attaching to the Convertible Bonds, the 1,866,666,665 Conversion Shares represent:

- (i) approximately 31.78% of the issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 24.12% of the issued share capital of the Company as enlarged by the issue and allotment of the Conversion Shares.

The Conversion Price of HK\$0.30 per Conversion Share represents:

- (i) a premium of approximately 32.74% to the closing price of the Shares of HK\$0.2260 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (ii) a premium of approximately 26.26% over the average closing price of the Shares of HK\$0.2376 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately before the Last Trading Day; and
- (iii) a premium of approximately 27.55% to the average closing price of the Shares of HK\$0.2352 per Share as quoted on the Stock Exchange for the ten consecutive trading days immediately before the Last Trading Day.

The Conversion Price of HK\$0.30 per Conversion Share was determined by the Purchaser and the Vendors after arm's length negotiations after taken into account of, among others, the average closing price of the Shares for the five consecutive trading days preceding the date of the Sale and Purchase Agreement and the prevailing market price of the Shares. The Directors consider that the Conversion Price is fair and reasonable.

The Conversion Shares are to be issued and allotted by the Company under Specific Mandate to be sought from the Shareholders at the GM.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement (ii) immediately after the issue and allotment of Conversion Shares upon the exercise in full of the conversion rights attaching to the Convertible Bond A; (iii) immediately after the issue and allotment of Conversion Shares upon the exercise in full of the conversion rights attaching to the Convertible Bond A and Convertible Bond B; and (iv) immediately after the issue and allotment of Conversion Shares upon the exercise in full of the conversion rights attaching to the Convertible Bonds are as follows:

Shareholders	As at the date of this announcement		Immediately after the issue and allotment of Conversion Shares upon the exercise in full of the conversion rights attaching to the Convertible Bond A		Immediately after the issue and allotment of Conversion Shares upon the exercise in full of the conversion rights attaching to the Convertible Bond A and Convertible B		Immediately after the issue and allotment of Conversion Shares upon the exercise in full of the conversion rights attaching to the Convertible Bonds	
	<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>		<i>Number of</i>	
	<i>No. of Share</i>	<i>%</i>	<i>No. of Share</i>	<i>%</i>	<i>No. of Share</i>	<i>%</i>	<i>Shares</i>	<i>%</i>
Yang Fan	810,759,648	13.80	810,759,648	12.79	810,759,648	11.63	810,759,648	10.47
Choi Chung Lam	323,600,000	5.51	323,600,000	5.10	323,600,000	4.64	323,600,000	4.18
Elite Fortune Global Limited (<i>Note</i>)	328,393,845	5.59	328,393,845	5.18	328,393,845	4.71	328,393,845	4.24
The Vendors:								
Vendor I	-	-	233,333,333	3.68	550,000,000	7.89	933,333,333	12.06
Vendor II	-	-	233,333,333	3.68	549,999,999	7.89	933,333,332	12.06
Public Shareholders	4,411,017,007	75.10	4,411,017,007	69.57	4,411,017,007	63.24	4,411,017,007	56.99
Total	<u>5,873,770,500</u>	<u>100.00</u>	<u>6,340,437,166</u>	<u>100.00</u>	<u>6,973,770,499</u>	<u>100.00</u>	<u>7,740,437,165</u>	<u>100.00</u>

Note: Elite Fortune Global Limited (“Elite Fortune”), a company incorporated in the BVI with limited liability, is wholly and beneficially owned by Mr. Wang Yi. Hence, Mr. Wang Yi is deemed to be interested in these 344,373,333 Shares owned by Elite Fortune.

INFORMATION ON THE VENDORS

Each of the Vendors is a company incorporated in BVI and is wholly-owned by the respective Guarantors. Both Vendors are principally engaged in investment holding.

INFORMATION ON THE BVI CO AND THE TARGET GROUP

Upon completion of the Reorganisation, the BVI Co will own the entire issued share capital of Gold Vantage, which owns the entire equity interest of Shandong Gold Vantage. Shandong Gold Vantage will own the entire equity interest of the Target Company, which will own 49% equity interest in TMTTC Travel. The Target Group engages in the provision of car rental services and tour bus services including shuttle bus services for business and leisure purposes as well as related value-added services.

The BVI Co is an investment holding company incorporated in the BVI on 17 September 2015 with limited liability. As at the date of this announcement, each of Vendor I and Vendor II, is holding 50% of the issued share capital in the BVI Co respectively.

Gold Vantage is a limited company incorporated in Hong Kong on 16 November 2012 and is principally engaged in investment holding. As at the date of this announcement, Gold Vantage is wholly owned by the BVI Co.

Shandong Gold Vantage is a wholly foreign owned enterprise established in the PRC on 10 December 2015. Its scope of business includes but not limited to vehicle and internet technology, research on communication technology, sale of batteries, mechanical equipment and electric vehicles, research and sale of the parts and components of electric vehicles, consultancy on corporate management, storage services, etc. As at the date of this announcement, Shandong Gold Vantage has yet to carry out any business and is wholly owned by Gold Vantage.

As at the date of this announcement, the Target Company is a company established in the PRC on 3 July 2006 and owned as to 51% by Mr. Ji Kaiping, 25% by Mr. Guo Peiyuan and 24% by Ms. Chen Jianmei, each of them is an Independent Third Party. The Target Company is principally engaged in car rental service and sale of parts and components. As at the date of this announcement, the Target Company directly owns the entire interest of TMTTC Travel.

TMTC Travel was established in the PRC on 24 April 1990 and, at the time of establishment, it was principally engaged in the provision of tour services. In July 2008, the Target Company acquired TMTC Travel and TMTC Travel has subsequently developed its business activities to the provision of tour bus services, passenger operation and car rental services.

Having been operating in the motor rental industry for almost ten years, the TMTC Group is one of the largest car rental company in the PRC, offering comprehensive shuttle bus and car rental services, including but not limited to, (i) shuttle bus services for employees/students of institutional customers between the working places/schools to different residential communities; (ii) pick-up services as requested by the institutional and individual customers; and (iii) car rental services for different business and leisure purposes.

As at the date of this announcement, TMTC Group has total fleet of over 750 vehicles, comprising (i) over 350 vehicles of different vehicle types using conventional energy; and (ii) approximately 400 newly purchased new energy electric bus which will commence operation by end of 2016. TMTC Group offers to its customers a wide vehicle selection, mainly shuttle bus, van and commercial vehicles with good vehicle condition. Currently, majority of the vehicles of TMTC Group are shuttle bus. Depending on the number of service locations and other requirements of the customers, TMTC Group will select appropriate vehicle type and assign appropriate number of vehicles for each of its customer.

TMTC Group has developed a diverse customer base. Currently, majority of the revenue of the TMTC Group was generated from institutional customers, most of these institutional customers are multinational corporations or international schools with branches or offices in the PRC, and many of which are Fortune Global 500 companies.

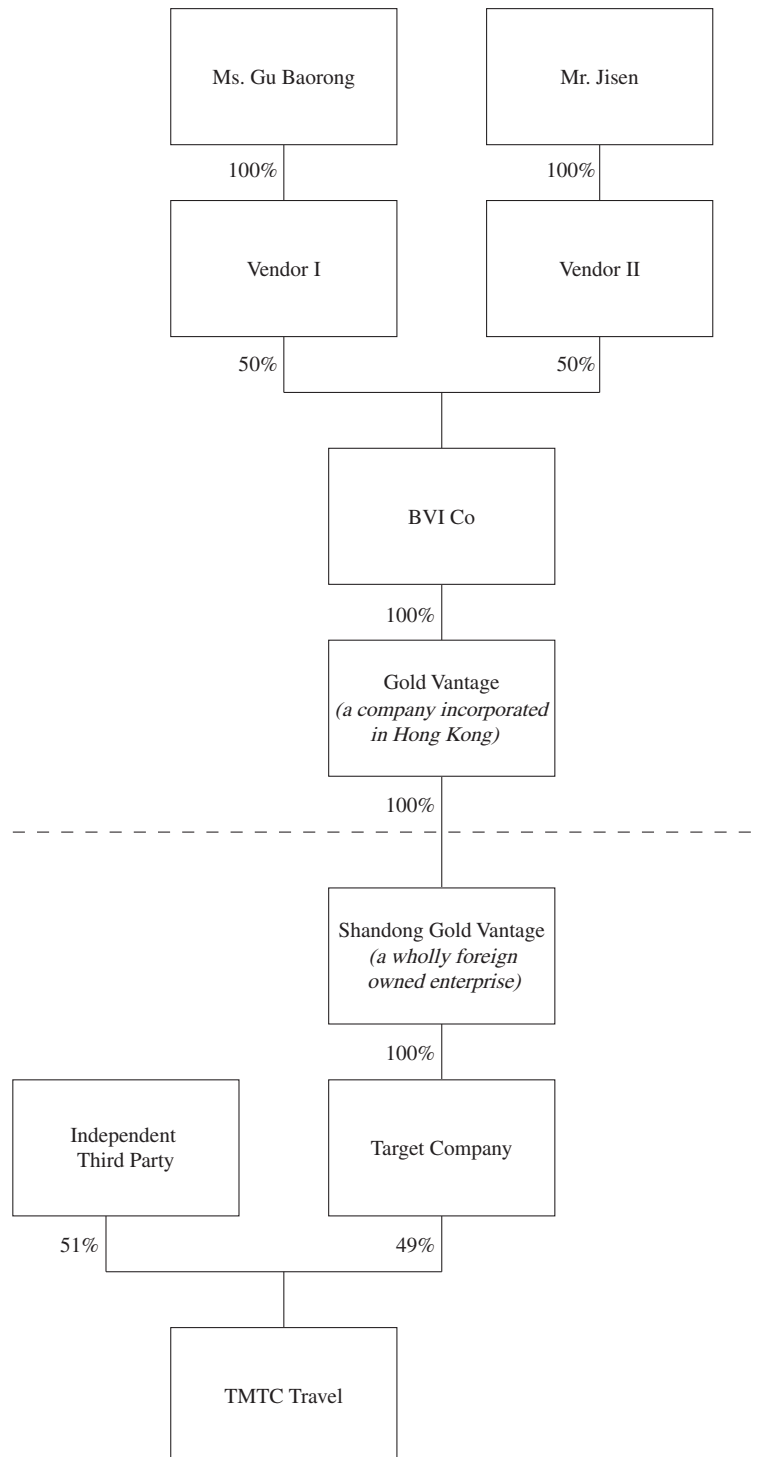
Currently, the TMTC Group is forging ahead with its transformation from the operation of vehicles using conventional energy to vehicles using new energy with a view to decrease carbon emission and create a more environmentally-friendly environment. To this end, other than vehicles using conventional energy, the TMTC Group has initiated its plan to purchase 2,000 electric bus for operation, of which 400 electric bus have been delivered to the TMTC Group and will be devoted into operation in 2016 as disclosed above.

After Completion, apart from its primary car rental and shuttle bus services, the Target Group is planning to launch diversified value-added services, comprising but not limited to, (i) comprehensive value-added services, such as retailing, consumption and catering, for employees/students of its institutional customers when traveling on the shuttle buses; (ii) strengthen the car rental services by enhancing/improving the features and functions in TMTC Group's website and develop mobile apps to allow the customers to enter rental orders, enjoy built-in GPS navigation service and connects to TMTC Group's customer service through a more convenient channel; (iii) placement of commercials through outdoor media; and (iv) information services arising from big data.

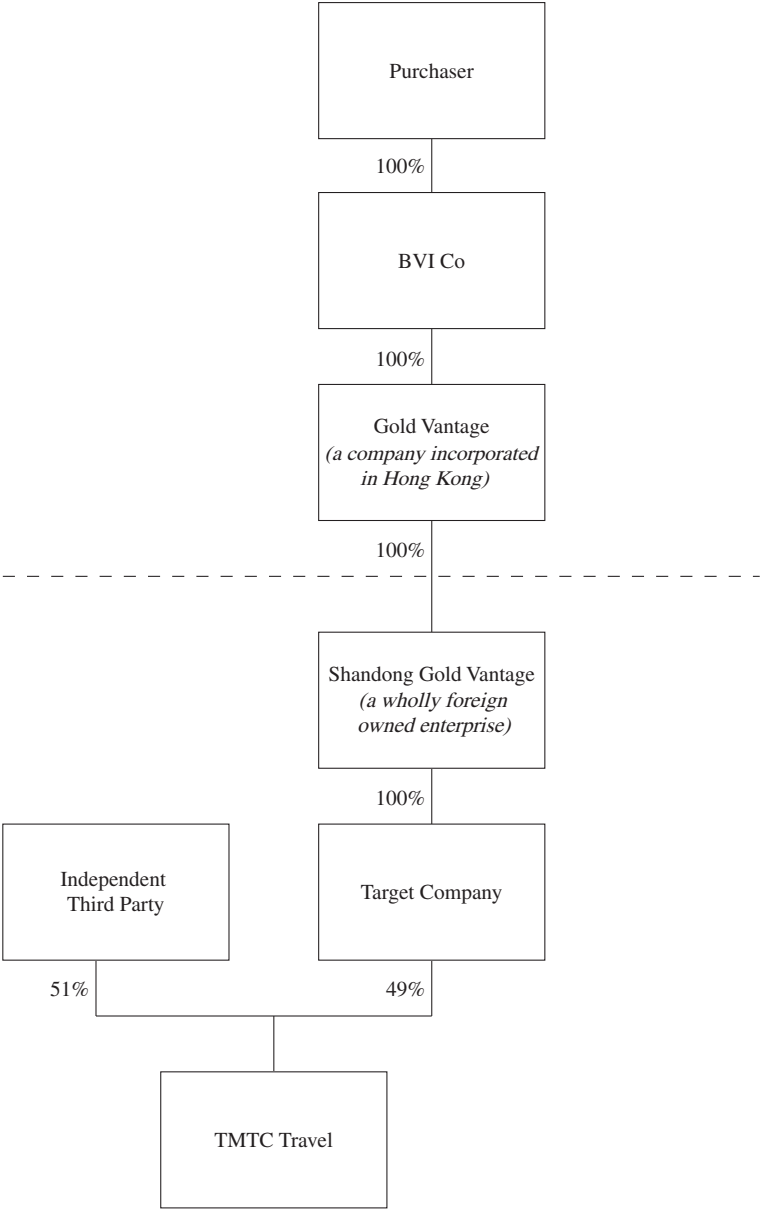
According to the Catalogue of Industries for Guiding Foreign Investment (2015 Amended version) (外商投資產業指導目錄(2015年修訂)), the industries in which TMTC Travel is engaged fall within the categories of "restricted foreign investment industries". As such, foreign investment in TMTC Travel shall not exceed 49% of the equity interest in TMTC Travel. To comply with the requirement of the Catalogue of Industries for Guiding Foreign Investment (2015 Amended version) upon completion of the Reorganisation, TMTC Travel will be owned as to 49% by the Target Company and 51% by an Independent Third Party.

Structure of the Target Group

For illustration purpose only, the structure of the Target Group, upon completion of the Reorganisation, is set forth as follows:



It is expected that the structure of the Target Group immediately after the Completion will be as follows:



Financial information of the Target Group

Upon Completion, each of the BVI Co and the Target Company will become an indirect wholly owned subsidiary of the Company. Thus, the Target Group will be consolidated into the accounts of the Group in accordance with the Group's accounting policies.

Target Company

The following table sets out the financial information of the Target Company for the financial years ended 31 December 2014 and 31 December 2015, respectively:

	For the year ended 31 December 2014 (RMB) Unaudited (Note)	For the year ended 31 December 2015 (RMB) Unaudited (Note)
Revenue	7,377,029	2,976,708
Net Profit/(Loss) (before taxation and extraordinary items)	98,720	(428,561)
Net Profit/(Loss) (after taxation and extraordinary items)	74,040	(428,561)
Net Assets	6,095,034	5,644,675

Note: the relevant financial information was prepared in accordance with the PRC Accounting Standards.

TMTC Travel

The following table sets out the financial information of the TMTC Travel for the financial years ended 31 December 2014 and 31 December 2015, respectively:

	For the year ended 31 December 2014 (RMB) Unaudited (Note)	For the year ended 31 December 2015 (RMB) Unaudited (Note)
Revenue	29,647,562	55,590,576
Net Profit/(Loss) (before taxation and extraordinary items)	667,225	782,339
Net Profit/(Loss) (after taxation and extraordinary items)	496,416	769,882
Net Assets	10,826,115	14,345,833

Note: the relevant financial information was prepared in accordance with the PRC Accounting Standards.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in coking coal trading business, media and advertising business and provision of online platform for trading and deferred spot delivery services of precious metals mainly being silver and copper, and other associated services including transaction settlement management, commodity delivery management and related consulting services to customers nationwide in the PRC. The Group is actively exploring for business opportunities in other sectors to diversify its business into industries that provide better returns for the Shareholders and broaden the sources of income of the Group.

Nowadays, many institutional customers may not prefer to incur large capital expenditures or administrative expenses to have self-owned fleet, while car rental services provide a more economic mean for the corporate customers to provide transportation services for its employees/customers or for other business purposes. It is common that PRC institutions may utilize car rental services to meet their needs for occasional business use of cars and ground transportation on business trips. Together with PRC's expected steady GDP growth, increased car use by businesses is expected to continue to drive the growth of the PRC's car rental market. The car rental services provided by the Target Group meet the needs of both institutional and individual customers by offering a cost-effective and convenient alternative to car ownership. The large and growing group of people in the PRC who desire the convenience of car travel but do not own a car represent a strong and sustainable potential for car rental services. Considering the above, it is expected that there is a growing demand from institutions and individuals for car rental services in the PRC.

Moreover, in recent years, the PRC government has been promoting the development of electric motor vehicle industry. In May 2015, the State Council of the PRC released the policy statement "Made in China 2025", in which new energy vehicle industry is designated as one of the major development area. In addition, several PRC authorities issued various preferential policies stimulating the investment in electric motor vehicle industry, including "關於2016-2020年新能源汽車推廣應用財政支持政策的通知" (the Circular on Financial Support Policies on the Promotion and Application of New Energy Vehicles (2016-2020) (the "Policies Circular")). The types of electric bus newly purchased by the TMTC Group are listed in the catalogue of recommended models for the new energy vehicle demonstration project and are eligible for government subsidies. It is expected that the TMTC Group would be benefited from such preferential policies when purchasing and using new energy electric vehicles.

Considering (i) the expected growing demand of car rental services in the PRC, (ii) the preferential policies on new energy vehicles toward the electric bus purchased by the Target Group, (iii) the operating performance of the Target Group, including but not limited to, the scale and number of customers using car rental and shuttle bus services and the reputation of TMTC Group in the car rental industry in Beijing, the PRC; and (iv) the Guaranteed Profit and the business prospect of the Target Group, the Company is of the view that the entering into of the Sale and Purchase Agreement will allow the Company to explore and develop the Group's business portfolio and also provide a new source of income for the Group.

The Board also considers that the terms and conditions for the Acquisition are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The GM will be convened for the purpose of, among other matters, considering, and if thought fit, approving the Acquisition, the issuance of the Convertible Bonds and the grant of the Specific Mandate. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, no Shareholder is required to abstain from voting on the resolution(s) to be proposed at the GM.

A circular containing, among other things, (i) further details of the Acquisition and (ii) the notice of the GM will be despatched to the Shareholders on or before 31 March 2016 as more time is required to prepare the relevant financial and other information to be included in the circular under the Listing Rules.

As Completion is subject to fulfilment of a number of Conditions, the Acquisition may or may not proceed. Shareholders and potential investors are urged to exercise extreme caution when dealing in the Shares.

DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“Acquisition”	the acquisition by the Purchaser of the entire issued share capital of the BVI Co pursuant to the Sale and Purchase Agreement
“Advance Payment”	the refundable advance payment in an aggregate amount of HK\$30 million to be paid by the Purchaser to the Vendors within five (5) Business Days from the date of the Sale and Purchase Agreement, which shall form part of the Cash Consideration A
“Board”	the board of Directors
“Business Day”	any day (other than Saturdays, Sunday or public holidays or days on which a tropical cyclone warning signal number 8 or above or black rainstorm warning is hoisted in Hong Kong at any time from 9:00 a.m. to 5:00 p.m.) on which commercial banks in Hong Kong are open to the public for general banking business in general
“BVI”	British Virgin Islands
“BVI Co”	Gear World Development Limited, a company incorporated under the laws of the BVI with limited liability
“Cash Consideration A”	cash in the amount HK\$60 million (including the Advance Payment) to be paid by the Purchaser on the Completion Date as partial settlement of the Consideration pursuant to the terms of the Sale and Purchase Agreement

“Cash Consideration B”	cash in the amount of not exceeding HK\$90 million (subject to downward adjustments) to be paid by the Purchaser to the Vendors within five (5) Business Days after fifteen (15) months from the Completion Date as partial settlement of the Consideration pursuant to the terms of the Sale and Purchase Agreement
“Cash Consideration C”	cash in the amount of not exceeding HK\$90 million (subject to downward adjustments) to be paid by the Purchaser to the Vendors within five (5) Business Days after twenty-seven (27) months from the Completion Date as partial settlement of the Consideration pursuant to the terms of the Sale and Purchase Agreement
“Cash Considerations”	the Cash Consideration A, Cash Consideration B and Cash Consideration C
“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)
“Completion”	completion of the Acquisition pursuant to the Sale and Purchase Agreement
“Completion Date”	the fifth (5) Business Days after satisfaction or waiver (as the case may be) of the Conditions or such other date as the Parties may agree in writing
“Conditions”	the conditions precedent set out in the Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Consideration”	HK\$800 million (subject to the adjustments as set out in the Sale and Purchase Agreement, details of which are set out in this announcement under the section headed “The Sale and Purchase Agreement – Consideration and payment terms and Guaranteed Profit and Adjustment to the Consideration”), being the consideration for the Acquisition
“Convertible Bondholder(s)”	a holder (or holders) whose name(s) the Convertible Bond(s) is/are registered in the register of convertible bondholder(s)
“Convertible Bonds”	the 3% coupon convertible bonds in the principal amount of not exceeding HK\$560 million to be issued by the Company to the Vendors as partial settlement of the Consideration pursuant to the Sale and Purchase Agreement, including the Convertible Bond A, Convertible Bond B, and Convertible Bond C
“Convertible Bond A”	the convertible bonds in the aggregate principal amount of HK\$140 million to be issued by the Company within five (5) Business Days from the Completion Date convertible to the Conversion Shares at the Conversion Price
“Convertible Bond B”	the convertible bonds in the aggregate principal amount of up to HK\$190 million (subject to downward adjustments) to be issued by the Company within five (5) Business Days after fifteen (15) months from the Completion Date convertible to the Conversion Shares at the Conversion Price
“Convertible Bond C”	the convertible bonds in the aggregate principal amount of up to HK\$230 million (subject to downward adjustments) to be issued by the Company within five (5) Business Days after twenty-seven (27) months from the Completion Date convertible to the Conversion Shares at the Conversion Price

“Conversion Price”	the initial conversion price of HK\$0.30 per Conversion Share, subject to adjustment under the terms and conditions of the Convertible Bonds
“Conversion Rights”	the rights attached to the Convertible Bonds to convert the same or a part thereof into Conversion Shares
“Conversion Shares”	Up to 1,866,666,665 new Shares to be allotted and issued by the Company upon exercise of the convertible rights attaching to the Convertible Bonds
“Director(s)”	the director(s) of the Company
“First Relevant Period”	the first twelve (12) months commencing on the first date of the month immediately following the Completion Date
“GDP”	gross domestic product
“GM”	the general meeting of the Company to be convened and held to consider and approve, among other things, the Acquisition, issuance of the Convertible Bonds and the grant of the Specific Mandate
“Gold Vantage”	Gold Vantage Development Limited, a limited company incorporated in Hong Kong with limited liability on 16 November 2012
“Group”	the Company and its subsidiaries
“Guarantors”	Ms. Gu Baorong, the beneficial owner of Vendor I, and Mr. Ji Sen, the beneficial owner of Vendor II

“Guaranteed Profit”	each HK\$80 million for the First Relevant Period and HK\$100 million for the Second Relevant Period
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) who is/are independent of, and not connected with, the Company or any of its connected person (as defined under the Listing Rules)
“Instrument”	the instrument to be executed by the Company pursuant to the Sale and Purchase Agreement to create and issue the Convertible Bonds, which sets out the rights and interests of the Convertible Bondholder(s)
“Last Trading Day”	15 January 2016, being the date of signing of the Sale and Purchase Agreement
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	15 July 2016 or such other date as the Parties may agree in writing
“Material Adverse Change”	any change (or effect) which has a material and adverse effect on the financial position, business or prospects or results of operations, of the Target Group as a whole
“MOU”	the memorandum of understanding dated 18 December 2015 entered into between the proposed purchaser, NUR Investments Company Limited (a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company), and the Vendors in relation to the Acquisition

“Net Profit”	<p>the audited consolidated net profit after taxation of the Target Company prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and audited by an auditor as appointed by the Purchaser (as defined in the Sales and Purchase Agreement, being 100% of the net profit of the Target Company and 49% of the net profit of TMTC Travel, including (i) associated government financial support and benefits as a results of purchasing new energy electric vehicles under the various preferential policies issued by relevant PRC authorities policies, such as subsidies, preferential tax arrangements and refund; (ii) profit from media and advertising promotion, value added retail services and internet business generated from the car rental, passenger travel and sale of parts and components businesses, employment services, but excluding profit generated from extraordinary businesses of the TMTC Group; for avoidance of doubt, as agreed by the Vendors and Guarantors, the Purchaser shall have the absolute discretion to decide what type of profit (other than (i) and (ii) above) could be included in the calculation</p>
“Parties”	<p>the Vendors, the Purchaser and the Guarantors, being the parties to the Sale and Purchase Agreement</p>
“PRC”	<p>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</p>
“Purchaser”	<p>NUR New Energy Management Company Limited, a company incorporated in the BVI and a wholly-owned subsidiary of the Company</p>
“Relevant Periods”	<p>the First Relevant Period and the Second Relevant Period</p>

“Reorganisation”	the structural reorganisation to be carried out by the BVI Co towards the Target Group prior to Completion such that the BVI Co will own the entire issued share capital of Gold Vantage, which will own the entire equity interest of Shandong Gold Vantage, Shandong Gold Vantage will own the entire equity interest of the Target Company, which will own 49% equity interest in TMTC Travel (the existing shareholders of the TMTC Group shall agree and proceed to the relevant equity transfers of the TMTC Group), details of the structure of the Target Group upon completion of the Reorganisation is, for illustration purpose only, are set out in the table under the section headed “Information of the Target Group – Structure of the Target Group”
“Sale and Purchase Agreement”	a sale and purchase agreement dated 15 January 2016 and entered into among the Purchaser, the Vendors and the Guarantors in respect of the Acquisition
“Sale Shares”	an aggregate of 10,000 ordinary shares of US\$1 each of the BVI Co, being the entire issued share capital of the BVI Co
“Shandong Gold Vantage”	山東金衛電子科技發展有限公司 (Shandong Gold Vantage Electronic Technology Development Company Limited*), a company established in the PRC on 10 December 2015
“Second Relevant Period”	the period of twelve (12) months commencing on the date immediately following the expiry of the First Relevant Period
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate”	a specific mandate to be granted to the Directors by the Shareholders at the GM to issue and allot the Conversion Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	北京天馬通馳汽車租賃有限公司 (Beijing Tian Ma Tong Chi Car Rental Co., Ltd*), a company established in the PRC on 3 July 2006
“Target Group”	the BVI Co and its subsidiaries (including the Target Company and its subsidiaries and TMTC Travel)
“TMTC Group”	The Target Company and TMTC Travel
“TMTC Travel”	北京天馬通馳旅遊客運有限公司 (Beijing Tian Ma Tong Chi Travel Transportation Co., Ltd*), a company incorporated in the PRC on 24 April 1990
“Vendor I”	Nation Spirit Limited, a company incorporated in the BVI and wholly and beneficially owned by Ms. Gu Baorong
“Vendor II”	Blissful Elite Limited, a company incorporated in the BVI and wholly and beneficially owned by Mr. Ji Sen
“Vendors”	Vendor I and Vendor II
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“USD”	United States Dollars, the lawful currency of the United States of America
“%”	per cent.

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

Hong Kong, 15 January 2016

** For identification purpose only. English names of the PRC established companies/entities in this announcement are only literal translations of their official Chinese names.*

As at the date of this announcement, 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.