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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)

DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF LISTED SECURITIES

DISPOSAL OF HENG XIN SHARES

The Company has disposed of an aggregate of 332,920,000 Heng Xin Shares on the market in a series of transactions conducted between 2 October 2015 and 14 April 2016 at the price ranged between HK\$0.112 and HK\$0.290 per Heng Xin Share for an aggregate gross sale proceeds of approximately HK\$58,222,000 (excluding transaction costs).

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

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As the Disposal was made on the market, the Company is not aware of the identity(ies) of the purchaser(s) of the Heng Xin Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the purchaser(s) of the Heng Xin Shares and their ultimate beneficial owner(s) are Independent Third Parties.

Listed securities disposed of

332,920,000 Heng Xin Shares were disposed by the Company in a series of transactions conducted between 2 October 2015 and 14 April 2016, representing approximately 4.28% of the issued share capital of Heng Xin (based on the 7,782,797,837 Heng Xin Shares as at 31 March 2016 according to the monthly return of Heng Xin dated 6 April 2016).

Consideration

The aggregate gross sale proceeds of the Disposal is approximately HK\$58,222,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration of the Disposal represented the prevailing market price of the Heng Xin Shares at the time of the Disposal.

INFORMATION OF HENG XIN

Heng Xin, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the GEM (stock code: 8046). Heng Xin Group is principally engaged in digital cable television business, wireless digital television value-added services, wireless digital audio integrated circuits, and in the business of manufacturing and selling of castor seeds and castor beans and selling of castor oil.

The following financial information is extracted from annual report of Heng Xin for the financial year ended 31 December 2015:

	For the year ended	
	31 December	
	2015	2014
	Audited	Audited
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Revenue	34,679	47,338
Net loss (before taxation and extraordinary items)	313,964	640,227
Net loss (after taxation and extraordinary items)	460,859	772,975

The audited consolidated net assets of Heng Xin as at 31 December 2015 and 2014 were HK\$127,069,000 and HK\$357,741,000 respectively.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in resources trading business, media and advertising business, financial investments 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.

In August 2015, the Company subscribed for 220,000,000 new Heng Xin Shares at a subscription price of HK\$0.1 per Heng Xin Share for a cash consideration of HK\$22,000,000. In February 2016, the Company subscribed for the 5% coupon convertible bonds issued by Heng Xin (“**HX Convertible Bonds**”) in the principal amount of HK\$100,000,000 at the cash consideration of HK\$100,000,000. The HX Convertible Bonds carried rights entitling the holders thereof to convert their principal amount into Heng Xin Shares at an initial conversion price of HK\$0.115 per Heng Xin Share. In March 2016, the Company converted the principal amount of HK\$19,999,880 of the HX Convertible Bonds into 173,912,000 new Heng Xin Shares at the initial conversion price of HK\$0.115 per Heng Xin Share. Based on the above, the acquisition cost of 332,920,000 Heng Xin Shares disposed under the Disposal is approximately HK\$34,986,000.

The interest in Heng Xin Shares held by the Company were recorded in the financial statements of the Group as financial assets at fair value through profit or loss. Based on (i) the cost of the Heng Xin Shares disposed under the Disposal of approximately HK\$34,986,000 and (ii) the gross sale proceeds of approximately HK\$58,222,000 (excluding transaction cost) from the Disposal, it is expected that the Group will recognize a gain of approximately HK\$23,236,000. The purpose of the Disposal is to realize investment gain and obtain additional cash flow. The Company intends to use the proceeds of the Disposal for general working capital purpose.

The Disposal was made at the prevailing market price of Heng Xin Shares at the time of Disposal and the Directors are of the view that the Disposal will enhance the liquidity of the Company and was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“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
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the disposal by the Company of an aggregate of 332,920,000 Heng Xin Shares on the market between 2 October 2015 and 14 April 2016 for a total consideration of approximately HK\$58,222,000
“GEM”	the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Heng Xin”	Heng Xin China Holdings Limited (Stock Code: 8046), a company incorporated in Bermuda with limited liability, the issued shares of which are listed on GEM
“Heng Xin Group”	Heng Xin and its subsidiaries
“Heng Xin Share(s)”	the ordinary share(s) in the share capital of Heng Xin
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Parties”	any party who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, is a third party independent of the Company and the connected person(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“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
“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, 14 April 2016

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, Mr. Lai Ho Man, Dickson and Dr. Zhang Tianmin.