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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 –**

**CONVERSION OF HX CONVERTIBLE BONDS  
AND ACQUISITION OF HX SHARES**

**CONVERSION OF HX CONVERTIBLE BONDS AND ACQUISITION  
OF HX SHARES**

Reference is made to the Company's announcement dated 8 December 2015 in relation to the subscription of HX Convertible Bonds in the aggregate principal amount of HK\$100,000,000. The Board announces that, during the period of 23 February 2016 to 7 June 2016, the Company exercised its rights attaching to the HX Convertible Bonds to convert the HX Convertible Bonds in an aggregate principal amount of HK\$44,999,960 into 391,304,000 HX Conversion Shares at the prevailing conversion price of HK\$0.115 per HX Conversion Share, representing approximately 4.89% of the issued share capital of Heng Xin as at 31 May 2016 as enlarged by the 43,480,000 HX Conversion Shares to be issued upon the conversion of the HX Convertible Bonds in the principal amount of HK\$5,000,200 pursuant to the conversion notice served by the Company on 7 June 2016. The Company had subscribed for 220,000,000 new HX Shares on 27 August 2015 pursuant to the subscription agreement entered into between the Company and Heng Xin in respect of the Acquisition on 18 August 2015.

## **LISTING RULES IMPLICATIONS**

As to each of the Acquisition and the Conversions (whether by each of the conversion by itself or aggregated together as a whole), none of the applicable percentage ratios (as defined under the Listing Rules) exceeded 5%. When the Company aggregated the Conversions with the Acquisition, one of the applicable percentage ratios (as defined under the Listing Rules) exceeded 5% but was less than 25%, the Conversions (when aggregated with the Acquisition) constitute 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.

Reference is made to the Company's announcement dated 8 December 2015 in relation to the subscription of the HX Convertible Bonds in the aggregate principal amount of HK\$100,000,000.

## **CONVERSIONS OF HX CONVERTIBLE BONDS AND ACQUISITION OF HX SHARES**

The Board announces that, during the period of 23 February 2016 to 7 June 2016, the Company exercised its rights attaching to the HX Convertible Bonds to convert the HX Convertible Bonds in an aggregate principal amount of HK\$44,999,960 into 391,304,000 HX Conversion Shares at the prevailing conversion price of HK\$0.115 per HX Conversion Share, representing approximately 4.89% of the issued share capital of Heng Xin as at 31 May 2016 as enlarged by the 43,480,000 HX Conversion Shares to be issued upon the conversion of the HX Convertible Bonds in the principal amount of HK\$5,000,200 pursuant to the conversion notice served by the Company on 7 June 2016.

For details of the terms of the HX Convertible Bonds and the basis of reaching the terms, please refer to the Company's announcement dated 8 December 2015.

The Company had subscribed for 220,000,000 new HX Shares at the subscription price of HK\$0.10 per HX Share on 27 August 2015 pursuant to the subscription agreement entered into between the Company and Heng Xin in respect of the Acquisition on 18 August 2015. Apart from the Acquisition and the Conversions, the Company has not acquired any HX Shares in the past 12 months.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Heng Xin and its ultimate beneficial owners are Independent Third Parties.

## **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:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2014</b>
	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 THE CONVERSIONS**

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.

As the prevailing conversion price of the HX Convertible Bonds is HK\$0.115 per HX Conversion Share, which is relatively lower than the prevailing market price of HX Shares, the Directors consider that the exercise of the conversion rights attached to the HX Convertible Bonds will enhance the liquidity of such investment and depending on the market price of the HX Shares, can also enhance the return to the Shareholders.

The Directors are of the view that the Conversions is in the interests of the Company and the Shareholders as a whole.

The interest in HX Shares held by the Company are recorded in the financial statements of the Group as financial assets at fair value through profit or loss.

## **GENERAL**

As disclosed in the Company's announcement dated 14 April 2016, the Company disposed an aggregate of 332,920,000 HX Shares on the market in a series of transactions conducted between 2 October 2015 and 14 April 2016 and such disposals constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and subject to the notification and announcement requirements under the Listing Rules. For the period from 15 April 2016 to 6 June 2016, the Company further disposed 224,708,000 HX Shares on the market. Such disposal by itself does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and when aggregated with the disposal of HX Shares which was previously announced on 14 April 2016, such disposals (when aggregated) still constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **IMPLICATIONS UNDER THE LISTING RULES**

As to each of the Acquisition and the Conversions (whether by each of the conversion by itself or aggregated together as a whole), none of the applicable percentage ratios (as defined under the Listing Rules) exceeded 5%. When the Company aggregated the Conversions with the Acquisition, one of the applicable percentage ratios (as defined under the Listing Rules) exceeded 5% but was less than 25%, the Conversions (when aggregated with the Acquisition) constitute 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.

## DEFINITIONS

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

“Acquisition”	the subscription of 220,000,000 new HX Shares on 27 August 2015 by the Company pursuant to the subscription agreement entered into between the Company and Heng Xin on 18 August 2015
“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
“Conversions”	the conversion of an aggregate principal amount of HK\$44,999,960 of the HX Convertible Bonds by the Company during the period of 23 February 2016 to 7 June 2016 to subscribe for an aggregate of 391,304,000 HX Conversion Shares at the prevailing conversion price of HK\$0.115 per HX Conversion Share
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“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

“HX Convertible Bonds”	the 5% coupon convertible bonds due 2017 issued by Heng Xin on 5 February 2016 in the principal amount of HK\$100,000,000 and subscribed by the Company on 8 December 2015
“HX Conversion Share(s)”	the HX Share(s) to be allotted and issued upon exercise of the conversion rights attached to the HX Convertible Bonds
“HX Share(s)”	ordinary share(s) of HK\$0.01 each 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 enquiries, 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, 7 June 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.*