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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that the Group expects to record a consolidated net loss of not less than HK\$58.0 million for the year ended 31 December 2014 as compared to the audited consolidated net profit of approximately HK\$27.9 million for the six months ended 31 December 2013.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by National United Resources Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2014 and the information currently available, the Group expects to record a consolidated net loss of not less than HK\$58.0 million for the year ended 31 December 2014 as compared to the audited consolidated net profit of approximately HK\$27.9 million for the six months ended 31 December 2013 (the “**Comparative Period in 2013**”).

Shareholders should note that due to the change in the Company's financial year end date from 30 June to 31 December in 2013, the consolidated results of the Group for the year ended 31 December 2014 cover a twelve-month period from 1 January 2014 to 31 December 2014 while the corresponding comparative figures for the Comparative Period in 2013 cover a six-month period from 1 July 2013 to 31 December 2013.

The Board believes that such expected loss is principally attributable to the following reasons:

- (i) significant drop in gross profit margin of coking coal trading business, as a result of the sluggish demand from downstream industries leading to weakened demand in coking coal and so as reduction in gross profit margin;
- (ii) non-occurrence of the one-off gain from a bargain purchase of approximately HK\$4.0 million arising from the acquisition of the entire issued share capital of Placid Expression Limited ("**Placid Expression**"), which has been completed on 2 December 2013, recorded in the Comparative Period in 2013;
- (iii) increase in certain non-cash expenses including the increase in amortisation of intangible asset relating to the acquisition of Placid Expression of approximately HK\$5.0 million and the recognition of share-based payment expenses of approximately HK\$27.7 million as a result of the share options granted by the Company in September 2014;
- (iv) as compared with that for the Comparative Period in 2013, a significant increase in finance costs incurred in connection with bank handling charges for oversea trading of the Group's coking coal trading business by approximately HK\$3.4 million and the imputed interests expenses incurred on the unlisted bonds and convertible bonds issued by the Company during the year by approximately HK\$13.2 million; and
- (v) as compared with that for the Comparative Period in 2013, a significant increase in administrative expenses of approximately HK\$30.3 million primarily due to increase in staff cost of approximately HK\$15.4 million, increase in Directors' remuneration of approximately HK\$6.3 million and rental expenses of approximately HK\$8.6 million as a result of the expansion of the Group.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2014 and the related audit work has not yet been completed. The information contained in this announcement is based on a preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the year ended 31 December 2014 and the information currently available, which have not been confirmed, reviewed or audited by the Company's auditors nor the Company's audit committee and may be subject to adjustments.

Details of the annual results of the Group for the year ended 31 December 2014 will be announced in late March 2015. Shareholders and potential investors should read the Group's annual results carefully.

Shareholders and potential investors are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board
National United Resources Holdings Limited
Yang Fan
Chairman

Hong Kong, 4 March 2015

As at the date of this announcement, the executive Directors are Mr. Yang Fan (Chairman), Mr. Lo Ka Wai, Mr. Feng Yongming and Mr. Tang Lap Chin, Richard; the non-executive Director is Ms. Mou Ling and the independent non-executive Directors are Mr. Wang Qun, Mr. Chow Hiu Tung and Dr. Yang Zhi Shu.