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**PNG Resources**

**PNG Resources Holdings Limited**  
**PNG 資源控股有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 221)**

**(1) TOP-UP PLACING  
AND  
TOP-UP SUBSCRIPTION  
UNDER GENERAL MANDATE**

**AND**

**(2) PLACING  
UNDER GENERAL MANDATE**

**Placing Agent**



**金利豐證券**  
**KINGSTON SECURITIES**



**WANG ON GROUP LIMITED**  
**(宏安集團有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1222)**

**DISCLOSEABLE TRANSACTIONS  
IN RELATION TO TOP-UP PLACING  
AND  
TOP-UP SUBSCRIPTION OF PNG SHARES**

**THE TOP-UP PLACING AND THE TOP-UP SUBSCRIPTION**

On 12 September 2014 (after trading hours), the Vendor (being an indirect wholly-owned subsidiary of WOG), PNG and the Placing Agent entered into the Top-up Placing and Subscription Agreement pursuant to which (i) the Vendor has agreed to place, through the Placing Agent on a best effort basis, a maximum of 150,000,000 Top-up Placing Shares to currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be third parties independent of the Vendor and PNG and the connected persons of the Vendor and PNG and shall not be parties to be acting in concert with the Vendor and their concert parties or any of the directors, chief executive or substantial shareholder(s) of PNG or any of its subsidiaries or their respective associates for the purposes of the Takeovers Code at the Top-up Placing Price of HK\$0.325 per Top-up Placing Share; and (ii) the Vendor has conditionally agreed to subscribe for a maximum of 150,000,000 Top-up Subscription Shares at the Top-up Subscription Price of HK\$0.325 per Top-up Subscription Share.

\* For identification propose only

The Top-up Subscription Shares represent (i) approximately 16.25% of the existing issued share capital of PNG as at the date of this joint announcement; and (ii) approximately 13.98 % of the share capital of PNG as enlarged by the Top-up Subscription. The maximum aggregate nominal value of the Top-up Subscription Shares will be HK\$1,500,000.

## **THE NEW ISSUE PLACING**

On 12 September 2014, PNG entered into the New Issue Placing Agreement with the Placing Agent. Pursuant to the New Issue Placing Agreement, PNG has conditionally agreed to allot and issue, and the Placing Agent has conditionally agreed to place, on a best effort basis, 34,000,000 New Issue Placing Shares to currently expected to be not less than six Placees who and whose ultimate beneficial owners will not be connected persons of PNG and its connected persons at the New Issue Placing Price of HK\$0.325 per New Issue Placing Share.

The New Issue Placing Shares represents (i) approximately 3.68% of the existing issued share capital of PNG as at the date of this joint announcement; (ii) approximately 3.55% of the issued share capital of PNG as enlarged by the New Issue Placing; and (iii) approximately 3.07% of the issued share capital of PNG as enlarged by the Top-up Subscription and the New Issue Placing. The maximum aggregate nominal value of the New Issue Placing Shares will be HK\$340,000.

The Top-up Placing Price, the Top-up Subscription Price and the New Issue Placing Price are the same at HK\$0.325 per PNG Share, which represents (i) a discount of 18.75% to the closing price of HK\$0.400 per PNG Share as quoted on the Stock Exchange on the date of the Top-up Placing and Subscription Agreement and the New Issue Placing Agreement; and (ii) a discount of approximately 13.56% to the average closing price of HK\$0.376 per PNG Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Top-up Placing and Subscription Agreement and the New Issue Placing Agreement.

The aggregate gross and net proceeds from the Top-up Subscription and the New Issue Placing will be approximately HK\$59.8 million and approximately HK\$57.7 million, respectively. PNG intends to utilise all the net proceeds from the Top-up Subscription and the New Issue Placing for future development and other potential investment.

The Top-up Subscription Shares and the New Issue Placing Shares will be issued pursuant to the PNG General Mandate.

Application will be made by PNG to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, the Top-up Subscription Shares and the New Issue Placing Shares.

## **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to the Top-up Placing and Subscription Agreement, WOG (through the Vendor) will temporarily dispose of part of its shareholding interest in PNG. On the basis that the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Top-up Placing (the temporary disposal of the PNG Shares) and the Top-up Subscription (in aggregate with the Previous Acquisitions) exceed 5% and are below 25%, each of the Top-up Placing and the Top-up Subscription constitutes a discloseable transaction for WOG under the Listing Rules, which is subject to the reporting and announcement requirements and exempt from the shareholders' approval requirement under the Listing Rules.

## **IMPLICATION UNDER THE TAKEOVERS CODE**

The shareholding interest of WOG and its parties acting in concert in the issued share capital of PNG will be reduced from approximately 45.89% to approximately 29.64% immediately upon completion of the Top-up Placing and will increase to approximately 39.48% immediately after completion of the Top-up Subscription, thereby triggering a general offer obligation under Rule 26 of the Takeovers Code. The Vendor will apply to SFC for the grant of a waiver to the Vendor and its parties acting in concert from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to the acquisition of the Top-up Subscription Shares.

## **THE TOP-UP PLACING AND SUBSCRIPTION AGREEMENT**

Date:

12 September 2014 (after trading hours)

Parties:

- (i) The Vendor, as vendor of the Top-up Placing Shares
- (ii) PNG, as the issuer of the Top-up Subscription Shares
- (iii) Kingston Securities Limited, as the Placing Agent for the placing of the Top-up Placing Shares

### **The Top-up Placing:**

The Placing Agent has conditionally agreed to place on a best effort basis a maximum of 150,000,000 Top-up Placing Shares to the Placees and will receive a placing commission of 2.5% on the gross proceeds of the Top-up Placing Shares being placed. Each of the directors of WOG and PNG (including the independent non-executive directors of WOG and PNG) are of the view that the placing commission of 2.5% is fair and reasonable, taking into account the current market condition.

To the best of the knowledge of each of the directors of WOG and PNG, the Placing Agent and its associates are third parties independent of the Vendor, WOG, PNG and their respective connected persons.

### ***Number of the Top-up Placing Shares:***

150,000,000 PNG Shares held by the Vendor, representing approximately 16.25% of the existing issued share capital of PNG as at the date of this joint announcement.

### ***Placees:***

The Placing Agent agreed to place the Top-up Placing Shares to currently expected to be not less than six Placees. The Placees and their ultimate beneficial owners shall be third parties independent of the Vendor and PNG and the connected persons of the Vendor and PNG and shall not be parties to be acting in concert with the Vendor and their concert parties or any of the directors, chief executive or substantial shareholder(s) of PNG or any of its subsidiaries or their respective associates for the purposes of the Takeovers Code.

It is expected that no individual Placee will become a substantial shareholder (as defined under the Listing Rules) of PNG immediately after the Top-up Placing. If any of the Placees becomes a substantial shareholder (as defined in the Listing Rules) of PNG after completion of the Top-up Placing, further announcement will be made by PNG as and when appropriate in accordance with the Listing Rules.

***Top-up Placing Price:***

The Top-up Placing Price of HK\$0.325:

- (i) represents a discount of 18.75% to the closing price of HK\$0.400 per PNG Share as quoted on the Stock Exchange on the date of the Top-up Placing and Subscription Agreement;
- (ii) represents a discount of approximately 13.56% to the average closing price of HK\$0.376 per PNG Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Top-up Placing and Subscription Agreement; and
- (iii) equals to the Top-up Subscription Price.

The Top-up Placing Price was determined with reference to the prevailing market price of the PNG Share and was negotiated on an arm's length basis between the Vendor, PNG and the Placing Agent on the date of the Top-up Placing and Subscription Agreement.

***Completion of the Top-up Placing:***

The Top-up Placing is unconditional and shall be completed on or before the sixth Business Day following the date of this joint announcement or such other date as the Vendor and the Placing Agent shall agree.

***Termination***

The Placing Agent reserves its right to terminate the arrangements set out in the Top-up Placing and Subscription Agreement by notice in writing prior to 9:00 a.m. on completion date of the Top-up Placing, if in the absolute opinion of the Placing Agent, the success of the Top-up Placing would be materially and adversely affected by any force majeure events (as defined below).

For this purpose, a "force majeure event" refers to

- (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the PNG Group; or

- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Top-up Placing and Subscription Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the PNG Group as a whole or adversely prejudices the success of the placing of the Top-up Placing Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Vendor or the Placing Agent to proceed with the Top-up Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction or trading in securities) occurs which affect the success of the Top-up Placing (such success being the placing of the Top-up Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Vendor or the Placing Agent to proceed with the Top-up Placing.

**The Top-up Subscription:**

PNG has conditionally agreed to allot and issue and the Vendor has conditionally agreed to subscribe for a maximum of 150,000,000 Top-up Subscription Shares.

***Number of the Top-up Subscription Shares:***

A maximum of 150,000,000 new PNG Shares, representing (i) 16.25% of the existing issued share capital of PNG as at the date of this joint announcement; and (ii) approximately 13.98% of the issued share capital of PNG as enlarged by the Top-up Subscription. The maximum aggregate nominal value of the Top-up Subscription Shares will be HK\$1,500,000.

***Top-up Subscription Price:***

The Top-up Subscription Price of HK\$0.325 equals to the Top-up Placing Price.

The Top-up Subscription Price was determined with reference to the Top-up Placing Price and was negotiated on an arm's length basis between the Vendor, PNG and the Placing Agent on the date of the Top-up Placing and Subscription Agreement.

***Conditions of the Top-up Subscription:***

Completion of the Top-up Subscription is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, all of the Top-up Subscription Shares;
- (b) completion of the Top-up Placing; and

- (c) a waiver granted by the SFC to the Vendor and its parties acting in concert waiving any obligation to make a general offer under Rule 26 of the Takeovers Code in relation to the Top-up Subscription.

***Completion of the Top-up Subscription:***

Pursuant to Rule 14A.92(4)(a)(ii) of the Listing Rules, the Top-up Subscription must be completed within 14 days from the date of the Top-up Placing and Subscription Agreement, that is, on or before 26 September 2014.

Completion of the Top-up Subscription will take place on or before the second Business Day after the date upon the fulfilment of all the conditions as set out above. In the event that the conditions to the Top-up Subscription are not fulfilled on or before 26 September 2014, PNG and the Vendor may elect, subject to compliance with all requirements in relation to connected transactions under the Listing Rules, to postpone completion of the Top-up Subscription to a later date to be agreed between PNG and the Vendor.

***Mandate to issue the Top-up Subscription Shares:***

The Top-up Subscription Shares will be issued pursuant to the PNG General Mandate having taken into consideration the capital reorganisation of PNG with effect from 20 August 2014, which PNG is authorised to issue up to 184,590,000 PNG Shares. Up to the date of this joint announcement, no PNG Share has been issued under the PNG General Mandate.

***Ranking of the Top-up Subscription Shares:***

The Top-up Subscription Shares will rank *pari passu* in all respects among themselves and with the existing PNG Shares in issue as at the date of such allotment and issue of the Top-up Subscription Shares.

**THE NEW ISSUE PLACING AGREEMENT**

**Date:**

12 September 2014

**Parties:**

- (i) PNG, as the issuer of the Top-up Subscription Shares
- (ii) Kingston Securities Limited, as the Placing Agent for the placing of the New Issue Placing Shares

The Placing Agent has conditionally agreed to place, on a best effort basis, 34,000,000 New Issue Placing Shares to the Placees and will receive a placing commission of 2.5% on the gross proceeds of the actual number of New Issue Placing Shares being placed. The directors of PNG (including the independent non-executive directors of PNG) are of the view that the placing commission of 2.5% is fair and reasonable, taking into account the current market conditions.

To the best of the knowledge of each of the directors of PNG, the Placing Agent and its associates are third parties independent of PNG and its connected persons.

**Number of New Issue Placing Shares:**

34,000,000 new PNG Shares, representing (i) approximately 3.68% of the existing issued share capital of PNG as at the date of this joint announcement; (ii) approximately 3.55% of the issued share capital of PNG as enlarged by the New Issue Placing; and (iii) approximately 3.07% of the issued share capital of PNG as enlarged by the Top-up Subscription and the New Issue Placing. The maximum aggregate nominal value of the New Issue Placing Shares will be HK\$340,000.

**Placees:**

The Placing Agent agreed to place the New Issue Placing Shares to currently expected to be not less than six Placees who and whose ultimate beneficial owners are third parties independent of PNG and its connected persons.

It is not expected that any individual Placee will become a substantial shareholder (as defined under the Listing Rules) of PNG immediately after the Top-up Subscription and the New Issue Placing.

**New Issue Placing Price:**

The New Issue Placing Price of HK\$0.325 equals to both the Top-up Placing Price and the Top-up Subscription Price.

The New Issue Placing Price was determined with reference to the prevailing market price of the PNG Share and was negotiated on an arm's length basis between PNG and the Placing Agent on the date of the New Issue Placing Agreement. The directors of PNG consider that the terms of the New Issue Placing Agreement are fair and reasonable based on the current market conditions and in the interests of PNG and the PNG Shareholders as a whole.

**Conditions of the New Issue Placing:**

Completion of the New Issue Placing is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in, all of the New Issue Placing Shares; and
- (b) the obligations of the Placing Agent under the New Issue Placing Agreement not being terminated in accordance with the terms thereof, including provisions regarding force majeure event.

Completion of the New Issue Placing, in any event, will take place within four Business Days after the fulfilment of the conditions as set out in (a) above or such later date to be agreed between PNG and the Placing Agent. If the above conditions are not satisfied and/or waived (other than (a) above, which cannot be waived) in whole or in part by the Placing Agent prior to 5:00 p.m. on 29 September 2014 or such later date to be agreed between PNG and the Placing Agent in writing, the New Issue Placing will be terminated and the New Issue Placing will not proceed and all obligations and liabilities of the parties hereunder will forthwith cease and determine and no party will have any claim against the others (save for any antecedent breaches hereof).

## Termination

The Placing Agent reserves its right to terminate the arrangements set out in the New Issue Placing Agreement by notice in writing prior to 9:00 a.m. on the completion date of the New Issue Placing, if in the absolute opinion of the Placing Agent, the success of the New Issue Placing would be materially and adversely affected by any force majeure events (as defined below).

For this purpose, a “force majeure event” refers to

- (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the PNG Group; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the New Issue Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the PNG Group as a whole or adversely prejudices the success of the placing of the New Issue Placing Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for PNG or the Placing Agent to proceed with the New Issue Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction or trading in securities) occurs which affect the success of the New Issue Placing (such success being the placing of the New Issue Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for PNG or the Placing Agent to proceed with the New Issue Placing.

If, at or prior to 9:00 a.m. on the completion date of the New Issue Placing;

- (a) PNG commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under the New Issue Placing Agreement; or
- (b) any suspension in the trading of the PNG Shares on the Stock Exchange for more than ten consecutive trading days save for the purposes of clearing of the announcement relating to the New Issue Placing Agreement or any announcements or circulars relating to the New Issue Placing; or
- (c) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in the New Issue Placing Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate if repeated the Placing Agent shall determine that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the PNG Group taken as a whole or will otherwise likely to have a material prejudicial effect on the New Issue Placing.



The Placing Agent shall be entitled (but not bound) by notice in writing to PNG to elect to treat such matter or event as releasing and discharging the Placing Agent from its obligations under the New Issue Placing Agreement.

**Mandate to issue the New Issue Placing Shares:**

The New Issue Placing Shares will be issued pursuant to the PNG General Mandate.

**Ranking of the New Issue Placing Shares:**

The New Issue Placing Shares will rank *pari passu* in all respects among themselves and with the existing PNG Shares in issue as at the date of such allotment and issue of the New Issue Placing Shares.

**PREVIOUS ACQUISITIONS OF PNG SHARES BY THE VENDOR IN THE PAST 12 MONTHS**

In the past 12 months, the Vendor had acquired on market an aggregate of 10,800,000 PNG Shares in a series of transactions conducted between 13 September 2013 and 4 October 2013 at the total consideration of HK\$21.7 million (exclusive of transaction costs) (the “**Previous Acquisitions**”). The applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of each of the Previous Acquisitions are less than 5%, and therefore the Previous Acquisitions did not constitute any notifiable transaction for WOG.

Save as disclosed herein, the WOG Group has not conducted any other acquisition or disposal of PNG Shares in the past 12 months before the date of this joint announcement.

Pursuant to the Top-up Placing and Subscription Agreement, the Vendor will temporarily dispose of part of its shareholding interest in PNG. On the basis that the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Top-up Placing (the temporary disposal of PNG Shares) and the Top-up Subscription (when aggregated with the Previous Acquisitions) exceed 5% and are below 25%, each of the Top-up Placing and the Top-up Subscription constitutes a discloseable transaction for WOG under the Listing Rules, which is subject to the reporting and announcement requirements and exempt from the shareholders’ approval requirement under the Listing Rules.

**REASONS FOR THE TOP-UP SUBSCRIPTION AND THE NEW ISSUE PLACING FOR PNG AND USE OF PROCEEDS BY PNG**

The directors of PNG consider the Top-up Subscription and the New Issue Placing represent an opportunity for PNG to raise capital while broadening its shareholder base as well as its capital base.

The aggregate gross and net proceeds from the Top-up Subscription and the New Issue Placing will be approximately HK\$59.8 million and approximately HK\$57.7 million, respectively. PNG intends to utilise all the net proceeds from the Top-up Subscription and the New Issue Placing for future development and other potential investment. The net proceeds raised per PNG Share upon completion of each of the Top-up Subscription and the New Issue Placing will be approximately HK\$0.314 and HK\$0.314 per PNG Shares, respectively.

**REASONS FOR THE TOP-UP PLACING AND THE TOP-UP SUBSCRIPTION FOR THE WOG GROUP**

The directors of WOG consider that the Top-up Placing will facilitate the raising of funds by PNG of which WOG (through the Vendor) is one of the substantial shareholders (as defined in the Listing Rules) whereas the Top-up Subscription will enable the WOG Group to restore its investment in PNG in terms of the number of PNG Shares held to the same level immediately prior to the Top-up Placing. The directors of WOG (including the independent non-executive directors of WOG) are of the view that the terms of the Top-up Placing and Subscription Agreement are fair and reasonable and the Top-up Placing and the Top-up Subscription are in the interests of WOG and its shareholders as a whole.

## FUND RAISING ACTIVITY BY PNG IN THE PAST TWELVE MONTHS

The following table summarises the equity fund raising activity of PNG in the past 12 months immediately prior to the date of this joint announcement:

Date of announcement	Fund raising activity	Net proceeds raised	Proposed use of proceeds	Actual use of proceeds
20 November 2013	Top-up placing of new shares	Approximately HK\$148.9 million	<p>(a) Approximately HK\$100 million for future development and the financing of any possible investment opportunities that may arise;</p> <p>(b) approximately HK\$30.0 million for repayment of interest bearing loans; and</p> <p>(c) the remaining balance of approximately HK\$18.9 million as general working capital of the PNG Group.</p>	All proceeds were used as intended

## EFFECTS ON SHAREHOLDING STRUCTURE

The table below sets out the changes to the shareholding structure of PNG as a result of completion of the Top-up Placing and the Top-up Subscription and the New Issue Placing under different scenarios (assuming the Top-up Placing Shares and the New Issue Placing Shares are placed in full and no other PNG Shares (except the Top-up Subscription Shares) are issued between the date of this joint announcement and completion of the Top-up Placing and the New Issue Placing):

	Shareholding as at the date of this joint announcement		Shareholding immediately after completion of the Top-up Placing but before the Top-up Subscription		Approximate shareholding immediately after completion of the Top-up Placing and the Top-up Subscription		Approximate shareholding immediately after completion of the Top-up Placing, the Top-up Subscription and the New Issue Placing	
	Number of PNG Shares	Approximate % of shareholding	Number of PNG Shares	Approximate % of shareholding	Number of PNG Shares	Approximate % of shareholding	Number of PNG Shares	Approximate % of shareholding
The Vendor and its parties acting in concert								
— The Vendor (Note 1)	153,218,400	16.60	3,218,400	0.35	153,218,400	14.28	153,218,400	13.84
— Mailful Investments Limited (Note 1)	4,000,000	0.43	4,000,000	0.43	4,000,000	0.37	4,000,000	0.36
— WYT (Note 2)	266,383,500	28.86	266,383,500	28.86	266,383,500	24.83	266,383,500	24.07
Sub-total	423,601,900	45.89	273,601,900	29.64	423,601,900	39.48	423,601,900	38.27
Placees under the Top-up Placing (Note 3)	—	—	150,000,000	16.25	150,000,000	13.98	150,000,000	13.55
Placees under the New Issue Placing (Note 4)	—	—	—	—	—	—	34,000,000	3.07
Other public Shareholders	499,348,100	54.11	499,348,100	54.11	499,348,100	46.54	499,348,100	45.11
Total	922,950,000	100.00	922,950,000	100.00	1,072,950,000	100.00	1,106,950,000	100.00

*Notes:*

1. According to the disclosure of interest forms published on the website of the Stock Exchange and having taken into consideration the capital reorganisation of PNG with effect from 20 August 2014, WOG through its indirect wholly-owned subsidiaries, namely the Vendor and Mailful Investments Limited, held 153,218,400 PNG Shares and 4,000,000 PNG Shares, respectively.
2. According to the disclosure of interest forms published on the website of the Stock Exchange and having taken into consideration the capital reorganisation of PNG with effect from 20 August 2014, WYT through its indirect wholly-owned subsidiary, namely Hearty Limited, held 266,383,500 PNG Shares.
3. Assuming all the Top-up Placing Shares would be allotted and issued upon completion of the Top-up Placing.
4. Assuming all the Top-up Placing Shares and the New Issue Placing Shares would be allotted and issued upon completion of the Top-up Placing and the New Issue Placing.

## **FINANCIAL EFFECTS OF THE TOP-UP PLACING AND THE TOP-UP SUBSCRIPTION ON THE WOG GROUP**

Prior to the Top-up Placing and the Top-up Subscription, the WOG Group held an aggregate of 157,218,400 PNG Shares, representing approximately 17.03% of the entire issued share capital of PNG as at the date of this joint announcement. Upon completion of the Top-up Placing and the Top-up Subscription, the WOG Group would hold approximately 14.2% of the issued share capital of PNG as enlarged by the Top-up Subscription and the New Issue Placing and the WOG Group's investment in PNG will continue to be accounted for as an available-for-sale investment which will be measured at fair value at each period end date with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment valuation reserve until the investment is derecognised or impaired.

## **GENERAL**

The PNG Group is principally engaged in (i) the property development in the PRC and (ii) the retailing of fresh pork and related produce in Hong Kong.

The WOG Group is principally engaged in property investment and property development in Hong Kong, management and sub-licensing of Chinese wet markets in Hong Kong and the PRC. It also has interests in the pharmaceutical business through its investments in WYT. WOG through its indirect wholly-owned subsidiary, namely Rich Time Strategy Limited, held 864,542,034 shares of WYT (representing approximately 24.58% of the issued share capital of WYT).

Based on the 2014 annual results of PNG as at 31 March 2014, PNG had an audited consolidated equity attributable to owners of the parent of approximately HK\$897.6 million, audited consolidated total assets of approximately HK\$2,435.1 million and audited consolidated total liabilities of approximately HK\$1,496.1 million. The following information is extracted respectively from the financial statements for the two financial years ended 31 March 2014 of PNG:

	<b>For the year ended 31 March</b>	
	<b>2014</b>	2013
	<b><i>HK\$' million</i></b>	<i>HK\$' million</i>
	<b>(audited)</b>	(audited)
		(Restated)
Revenue	<b>1,034.2</b>	953.5
(Loss)/Profit before taxation	<b>(68.4)</b>	32.4
Net profit after taxation attributable to equity holders of PNG	<b><u>77.0</u></b>	<u>42.3</u>

Application will be made by PNG to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, the Top-up Subscription Shares and the New Issue Placing Shares.

### **IMPLICATION UNDER THE TAKEOVERS CODE AND APPLICATION FOR WAIVER**

The shareholding interest of WOG and its parties acting in concert in the issued share capital of PNG will be reduced from approximately 45.89% to approximately 29.64% immediately upon completion of the Top-up Placing and will increase to approximately 39.48% immediately after completion of the Top-up Subscription, thereby triggering a general offer obligation under Rule 26 of the Takeovers Code. The Vendor will apply to SFC for the grant of a waiver to the Vendor and its parties acting in concert from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to the acquisition of the Top-up Subscription Shares.

### **DEFINITIONS**

In this joint announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“acting in concert”	has the same meaning ascribed to it under the Takeovers Code
“associate”	has the same meaning ascribed to it under the Listing Rules
“Business Day”	any day (excluding a Saturday and Sunday) on which banks generally are open for business in Hong Kong
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Issue Placing”	the placing of the New Issue Placing Shares pursuant to the New Issue Placing Agreement
“New Issue Placing Agreement”	the placing agreement dated 12 September 2014 entered into between PNG and the Placing Agent in relation to the New Issue Placing

“New Issue Placing Price”	HK\$0.325 per New Issue Placing Share
“New Issue Placing Share(s)”	34,000,000 new PNG Shares to be placed pursuant to the New Issue Placing Agreement
“Placee(s)”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates (including the Placing Agent itself) procured by the Placing Agent to purchase any of the Top-up Placing Shares or the New issue Placing Shares pursuant to the Placing Agent’s obligations under the Top-up Placing and Subscription Agreement or the New Issue Placing Agreement
“Placing Agent”	Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“PNG”	PNG Resources Holdings Limited PNG資源控股有限公司, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the shares of which are listed and traded on the main board of the Stock Exchange (Stock Code: 221)
“PNG General Mandate”	the mandate granted to the directors of PNG by the PNG Shareholders at the annual general meeting of PNG held on 16 July 2014 to allot, issue and deal with up to 20% of the then issued share capital of PNG as at the date of such annual general meeting
“PNG Group”	PNG and its subsidiaries
“PNG Shareholder(s)”	the holder(s) of the PNG Shares
“PNG Share(s)”	the ordinary share(s) of HK\$0.01 in the share capital of PNG
“PRC”	The People’s Republic of China, which for the purpose of this joint announcement shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SFC”	The Securities & Futures Commission of Hong Kong
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers published by the SFC
“Top-up Placing”	the placing of 150,000,000 existing PNG Shares held by the Vendor pursuant to the terms of the Top-up Placing and Subscription Agreement

“Top-up Placing and Subscription Agreement”	the agreement dated 12 September 2014 entered into between the Vendor, PNG and the Placing Agent in relation to the Top-up Placing and the Top-up Subscription
“Top-up Placing Price”	the price of HK\$0.325 per Top-up Placing Share
“Top-up Placing Share(s)”	150,000,000 PNG Shares held by the Vendor and to be placed pursuant to the Top-up Placing and Subscription Agreement
“Top-up Subscription”	the subscription of 150,000,000 Top-up Subscription Shares by the Vendor pursuant to the terms of the Top-up Placing and Subscription Agreement
“Top-up Subscription Price”	the price of HK\$0.325 per Top-up Subscription Share
“Top-up Subscription Share(s)”	150,000,000 new PNG Shares to be subscribed for by the Vendor pursuant to the Top-up Placing and Subscription Agreement
“Vendor”	Ever Task Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of WOG
“WOG”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability and its shares are listed and traded on the main board of the Stock Exchange (Stock Code: 1222)
“WOG Group”	WOG and its subsidiaries
“WYT”	Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*), an exempted company incorporated in Bermuda with limited liability and the shares of which are listed and traded on the main board of the Stock Exchange (Stock Code: 897)
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By Order of the board of directors of  
**PNG RESOURCES HOLDINGS LIMITED**  
**PNG資源控股有限公司**  
**Chan Chun Hong, Thomas**  
*Chairman and Managing Director*

By Order of the board of directors of  
**WANG ON GROUP LIMITED**  
**(宏安集團有限公司)\***  
**Tang Ching Ho**  
*Chairman*

Hong Kong, 12 September 2014

\* For identification purpose only

*As at the date of this joint announcement, the executive directors of PNG are Mr. Chan Chun Hong, Thomas, Mr. Cheung Wai Kai and Mr. Wong Yiu Hung, Gary, and the independent non-executive directors of PNG are Mr. Sin Ka Man, Mr. Yuen Kam Ho, George and Mr. Cheung Sau Wah, Joseph.*

*As at the date of this joint announcement, the executive directors of WOG are Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas, and the independent non-executive directors of WOG are Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau.*

*The directors of PNG jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to WOG, the Vendor or any of their associates or any parties acting in concert with any of them), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by WOG, the Vendor or any of their associates or any parties acting in concert with any of them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*The directors of WOG jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the PNG Group), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions (other than opinions expressed by the PNG Group) expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*