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MUNSUN 麥盛

Munsun Capital Group Limited

麥盛資本集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1194)

RESET OF CONVERSION PRICE OF CONVERTIBLE BONDS

The Company was formerly known as “China Precious Metal Resources Holdings Co., Ltd.”. It has changed its name to “Munsun Capital Group Limited” with effect from 20 September 2016.

Reference is made to (i) the announcements of Munsun Capital Group Limited (formerly known as China Precious Metal Resources Holdings Co., Ltd.) (the “**Company**”) dated 28 January 2013 and 4 February 2013 in relation to, amongst other things, the issue of the HK\$1,028,000,000 7.25% Convertible Bonds due 2018 (the “**Convertible Bonds**”); (ii) the Company’s announcements dated 21 December 2015, 23 December 2015, 7 January 2016, 12 January 2016, 19 January 2016, 25 January 2016, 28 January 2016, 31 January 2016, 4 February 2016, 10 March 2016 and 16 March 2016 and circulars dated 9 January 2016 and 23 February 2016 in relation to the amendments to the terms and conditions of the Convertible Bonds; and (iii) the Company’s announcement dated 10 August 2016 in relation to reset of Conversion Price of the Conversion Bonds (collectively, the “**Announcements and Circulars**”). Unless otherwise defined, all capitalized terms used in this announcement shall have the same meanings as defined in the Announcements and Circulars.

In accordance with condition 6(E) of the terms and conditions of the Convertible Bonds (the “**Bonds Conditions**”), if on any Reset Reference Date, the Volume Weighted Average Price of the Shares on each Trading Day during the period of the 20 consecutive Trading Days (the “**Relevant Period**”) immediately prior to such Reset Reference Date (“**Average Market Price**”) is less than the prevailing Conversion Price on the last day of the Relevant Period, the Conversion Price shall be adjusted on the business day immediately following the last day of the Relevant Period to the Average Market Price, rounded upwards to the nearest Hong Kong cent.

In accordance with condition 6(E) of the Bonds Conditions, the adjusted Conversion Price following an adjustment shall not be less than HK\$0.25 (the “**Reset Floor Price**”).

The Board of the Company announces that as the Average Market Price (being HK\$0.227 per Share) prior to 4 February 2017 is less than the prevailing Conversion Price (being HK\$0.26 per Share), the Conversion Price has been adjusted to HK\$0.25 per Share (the “**Adjusted Conversion Price**”), being the Reset Floor Price, with effect from 4 February 2017.

Save for the above adjustment, all other Bonds Conditions remain unchanged.

In the event that the Convertible Bonds are fully converted at the Adjusted Conversion Price, an aggregate of 1,505,022,834 Shares will be issued by the Company, representing approximately 10.83% of the existing issued Shares of the Company and approximately 9.77% of the issued Shares of the Company as enlarged by the issue of Shares under the full conversion.

By order of the Board
Munsun Capital Group Limited
LI Xianghong
Chairman

Hong Kong, 6 February 2017

As at the date of this announcement, the executive directors of the Company are Mr. Li Xianghong, Mr. Liu Liyang, Mr. Wang Hao, Mr. Zhang Liwei, Mr. Zhang Lirui and Mr. Zhang Shuguang; and the independent non-executive directors of the Company are Mr. Wu Tai Cheung, Professor Xiao Rong Ge and Mr. Yin Chenggang.