

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **CHINA AGROTECH HOLDINGS LIMITED**

### **浩倫農業科技集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01073)**

#### **INSIDE INFORMATION:**

##### **(1) LITIGATIONS INITIATED BY**

##### **STANDARD CHARTERED BANK (CHINA) LIMITED;**

**AND**

##### **(2) PUBLIC SEARCH RESULT OF OTHER PRC LITIGATIONS**

China Agrotech Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) makes this announcement 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

#### **Litigations initiated by Standard Chartered Bank (China) Limited**

Reference is made to the Company’s announcement dated 24 October 2014 in relation to, among others, indebtedness owed by three PRC subsidiaries of the Company to Standard Chartered Bank (China) Limited where the Company acted as guarantor (the “Announcement”). Unless otherwise specified, terms used herein shall have the same meanings as those defined in the Announcement.

The SCB China Indebtedness comprised of borrowings by three indirect wholly-owned PRC subsidiaries of the Company, namely, Fujian Agrotech Holdings Co., Ltd. 福建浩倫農業科技集團有限公司 (“Fujian Agrotech”), Fujian Agrotech Oriental Import and Export Co., Ltd. 福建浩倫東方資源物產有限公司 (“Fujian Oriental”) and Jiangsu Haolun Agrotech Co., Ltd. 江蘇浩倫農業科技有限公司 (“Jiangsu Haolun”) in the outstanding principal amounts of approximately Rmb20.9 million, Rmb19.1 million and Rmb20.9 million respectively, together with the respective interests.

On 1 December 2014, the Company received legal documents in respect of two litigations from The Intermediate People’s Court of Fuzhou City, Fujian Province (the “Fuzhou Intermediate Court”). The two litigations are in respect of the relevant portions of the SCB China Indebtedness borrowed by Fujian Agrotech and Fujian Oriental respectively, and are detailed as follows:

**(1) Lawsuit initiated by SCB China in respect of SCB China Indebtedness borrowed by Fujian Agrotech (hereinafter referred to as “SCB China Lawsuit 1”)**

SCB China (as plaintiff), being the lender of the relevant trade finance indebtedness, filed a civil petition statement 民事起訴狀 dated 20 October 2014, at Fuzhou Intermediate Court to sue against (i) Fujian Agrotech, as borrower of the relevant trade finance indebtedness, and (ii) Fujian Oriental, Fujian Sanming Agrotech Landscaping and Plant Protection Co., Ltd. 福建省三明市浩倫園藝植保有限公司 (“Fujian Sanming”, an indirect 70%-owned subsidiary of the Company), Jiangsu Haolun and the Company, all as guarantors of the relevant trade finance indebtedness (collectively, the “SCB China Lawsuit 1 Defendants”), claiming for settlement of the outstanding principal amount of trade finance indebtedness of Rmb20,905,779.07, interest and penal interest of Rmb547,779.94 accrued up to 31 August 2014, as well as further interest accrued up to the actual settlement date and legal expenses incurred in relation to the lawsuit.

In respect of the civil petition statement, Fuzhou Intermediate Court issued a notice of response to litigation 應訴通知書 (the “Response Notice”) dated 24 November 2014, which informed the SCB China Lawsuit 1 Defendants, the details of the SCB China Lawsuit 1.

**(2) Lawsuit initiated by SCB China in respect of SCB China Indebtedness borrowed by Fujian Oriental (hereinafter referred to as “SCB China Lawsuit 2”)**

SCB China (as plaintiff), being the lender of the relevant trade finance indebtedness, filed a civil petition statement dated 20 October 2014, at Fuzhou Intermediate Court to sue against (i) Fujian Oriental, as borrower of the relevant trade finance indebtedness, and (ii) Fujian Agrotech, Fujian Sanming, Jiangsu Haolun and the Company, all as guarantors of the relevant trade finance indebtedness (collectively, the “SCB China Lawsuit 2 Defendants”), claiming for settlement of the outstanding principal amount of trade finance indebtedness of Rmb19,098,994.92, interest and penal interest of Rmb1,114,193.33 accrued up to 31 August 2014, as well as further interest accrued up to the actual settlement date and relevant legal expenses in relation to the lawsuit.

In respect of the civil petition statement, Fuzhou Intermediate Court issued a Response Notice dated 24 November 2014, which informed the SCB China Lawsuit 2 Defendants, the details of the SCB China Lawsuit 2.

Further announcement(s) relating to the legal proceedings of SCB China Lawsuit 1 and SCB China Lawsuit 2 will be made by the Company as and when appropriate.

**Public Search Result of other PRC Litigations**

As mentioned in the Company’s announcement dated 28 November 2014, the Company has engaged a PRC legal representative firm (the “PRC Legal Firm”) to investigate into whether there are other material lawsuits raised against certain PRC subsidiaries of the Company.

As reported by the PRC Legal Firm on 2 December 2014, it conducted public search at the official website of The Supreme People’s Court of the PRC, namely, the China Court Website 中國法院網, which publicized the following litigations (the “Publicized Lawsuit(s)”).

involving certain PRC subsidiaries of the Company and Mr. Wu Shaoning (“Mr. Wu”, the chairman and executive director of the Company). Except for Publicized Lawsuit 5 (as detailed below) where Fujian Agrotech acted as a guarantor in respect of the bank borrowing of its supplier, other Publicized Lawsuits were related to borrowings of certain PRC subsidiaries of the Company.

Publicized Lawsuit number	Lawsuit publicized by the Intermediate People’s Court of the following city and province	Plaintiff	Defendants	Date of publication	Date of trial by court
1	Fuzhou City, Fujian Province	Lin Jian	Mr. Wu, Fujian Agrotech,	3 September 2014	5 January 2015*
2	Nanjing City, Jiangsu Province	Heyan Road Sub-branch of Bank of Nanjing	Jiangsu Haolun, Fujian Agrotech, Mr. Wu	13 September 2014	15 December 2014*
3	Nanjing City, Jiangsu Province	Heyan Road Sub-branch of Bank of Nanjing	Jiangsu Haolun, Fujian Agrotech, Mr. Wu	20 September 2014	21 January 2015*
4	Nanjing City, Jiangsu Province	Nanjing Branch of China Minsheng Bank	Jiangsu Haolun, Fujian Agrotech, Mr. Wu	3 October 2014	2 February 2015*
5	Fuzhou City, Fujian Province	Fuzhou Branch of China Minsheng Bank	Fujian Canjing Industry Co., Ltd. 福建燦景實業有限公司 (a supplier of Fujian Agrotech), Fujian Agrotech, three individuals	19 November 2014	18 February 2015*
6	Changsha City, Hunan Province	Changsha Branch of Guangdong Nanyue Bank	Hunan Haolun#, Ling Zhixiao (general manager of Hunan Haolun), Fujian Agrotech	22 November 2014	10 March 2015
7	Nanjing City, Jiangsu Province	Nanjing Jiankang Sub-Branch of Bank of Ningbo	Jiangsu Haolun, Fujian Agrotech, Mr. Wu	29 November 2014	2 April 2015*

# Hunan Haolun represents Hunan Haolun Agrotech Co., Ltd. 湖南浩倫農業科技有限公司, an indirect wholly-owned subsidiary of the Company.

\* The date of trial by court is the date estimated according to the stipulated number of dates after the expiry of the respective periods of the publication of the lawsuit, submission of defendant’s statement and lodgment of legal evidence, as stipulated in the publicized notice issued by the relevant courts.

As advised by the PRC Legal Firm, under the circumstances where the proper delivery of the lawsuit documents by the relevant PRC court to defendant(s) resident in the PRC was failed, the relevant PRC court may publicize the basic information regarding the relevant lawsuit at the China Court Website and deem the previously undelivered lawsuit documents (including, among others, civil petition statement, notice of response to litigation and writ of summons)

as properly delivered to the defendant(s) upon the expiry of a certain period of time, and schedule a date to put the relevant lawsuit to trial at court.

According to the limited information of the public search result and the records of the relevant PRC subsidiaries, the Company expects that the above Publicized Lawsuits 1 to 7 would involve indebtedness amounting to approximately Rmb3.5 million, Rmb4 million, Rmb17 million, Rmb5.4 million, Rmb10 million, Rmb30 million and Rmb10 million respectively.

Apart from the above Publicized Lawsuits pending trial by the courts, the PRC Legal Firm also obtained public search result from the relevant website of The Supreme People's Court of the PRC in respect of an execution order of The People's Court of Yuelu District of Chasha City, Hunan Province against Hunan Haolun regarding an enforcement amount of Rmb5,024,834 in relation to a court judgment. However, there was no further details in respect of the relevant indebtedness of such court judgment.

In view of the above, the PRC Legal Firm will perform direct enquiry of the legal documents in relation to the above publicized lawsuits and court judgment from the relevant courts as soon as practicable.

Further announcement(s) relating to the above publicized lawsuits and court judgment will be made by the Company as and when appropriate.

### **Continued Suspension in Trading of the Shares**

At the request of the Company, trading in the shares of the Company has been suspended with effect from 1:00 p.m. on 18 September 2014 and will remain suspended until the release of further announcement of inside information in relation to the indebtedness situation of the Group and the publication of the audited annual results of the Company for the year ended 30 June 2014.

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

By order of the Board  
**China Agrotech Holdings Limited**  
**Wu Shaoning**  
*Chairman*

Hong Kong, 3 December 2014

*As at the date of this announcement, the Executive Directors of the Company are Mr. Wu Shaoning, Ms. Chen Xiao Fang, Mr. Zhang Liang and Mr. Xu Jiangtao, and the Independent Non-executive Directors are Mr. Wong Kin Tak and Ms. Zhao Jianhua.*

*\* For identification purpose only*