

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.

This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



NATIONAL AGRICULTURAL HOLDINGS LIMITED

國農控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1236)

PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

AND

SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE



THE PLACING

On 14 August 2014 (after trading hours), the Company and the Placing Agents entered into the Placing Agreement pursuant to which the Placing Agents have severally and conditionally agreed to procure, on a best effort basis, a total of not less than six Places to subscribe for up to a maximum of 243,900,000 Placing Shares within the Placing Price Range of HK\$2.80 to HK\$3.28 per Placing Share. The Placing is subject to conditions set out below in the paragraph headed “Conditions precedent to the Placing”. Since completion of the Placing Agreement and the Subscription Agreement are inter-conditional, a specific mandate to issue the Placing Shares will be sought from the Independent Shareholders at the EGM. The final Placing Price is to be determined among the Company and the Placing Agents on the Price Determination Date by the execution of the Price Determination Agreement.

The low-end of the Placing Price Range (i.e. HK\$2.80 per Placing Share), represents (i) a discount of approximately 3.45% to the closing price of HK\$2.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 4.18% to the average closing price of approximately HK\$2.92 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement.

The high-end of the Placing Price Range (i.e. HK\$3.28 per Placing Share), represents (i) a premium of approximately 13.10% to the closing price of HK\$2.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a premium of approximately 12.25% to the average closing price of approximately HK\$2.92 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement.

The maximum number of 243,900,000 Placing Shares represents (i) approximately 18.4% of the existing issued share capital of the Company of 1,328,310,568 Shares as at the date of this announcement; and (ii) approximately 13.3% of the issued share capital of the Company of 1,828,310,568 Shares as enlarged by the allotment and issue of the Placing Shares and the Subscription Shares in aggregate (assuming there will be no other changes in the issued share capital of the Company).

THE SUBSCRIPTION

On 14 August 2014 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue Shares in a number equivalent to 1.05 times of the number of Placing Shares actually placed under the Placing Agreement up to a maximum of 256,100,000 new Shares at a price equivalent to the Placing Price. The Subscription is subject to the conditions set out below in the paragraph headed “Conditions precedent to the Subscription”. A specific mandate to issue the Subscription Shares will be sought from the Independent Shareholders at the EGM.

The maximum number of 256,100,000 Subscription Shares represents (i) approximately 19.3% of the existing issued share capital of the Company of 1,328,310,568 Shares as at the date of this announcement; and (ii) approximately 14.0% of the issued share capital of the Company of 1,828,310,568 Shares as enlarged by the allotment and issue of the Placing Shares and the Subscription Shares in aggregate (assuming there will be no other changes in the issued share capital of the Company). Completion of the Placing Agreement and the Subscription Agreement are inter-conditional and shall take place simultaneously.

GENERAL

Assuming the maximum number of Placing Shares and Subscription Shares are placed and subscribed for, the gross proceeds from the Placing and the Subscription are expected to be approximately HK\$1,400 million (based on the minimum Placing Price and Subscription Price of HK\$2.80 per Share) to HK\$1,640 million (based on the maximum Placing Price and Subscription Price of HK\$3.28 per Share). The net proceeds of the Placing and the Subscription (after deducting related placing commissions, professional fees and related expenses which will be borne by the Company) are expected to be in the range of approximately HK\$1,382 million to HK\$1,619 million.

The Placing Shares and the Subscription Shares will be allotted and issued under specific mandates to allot, issue and deal with Shares by ordinary resolution(s) to be proposed for passing by the Independent Shareholders at the EGM in accordance with the Listing Rules. The general mandate of the Company will not be used for the issue of the Placing Shares and the Subscription Shares.

As at the date of this announcement, the Subscriber is a substantial shareholder which holds 677,438,392 Shares, representing approximately 51.0% of the issued share capital of the Company. Since the Subscriber is a substantial shareholder and hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules, the Subscription will constitute a connected transaction for the Company and is subject to the announcement, reporting and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

A circular containing, among other things, (i) further details of the Placing and the Subscription; (ii) a letter from the Independent Board Committee in relation to the Placing and the Subscription and the transactions contemplated thereunder; (iii) a letter of advice from the independent financial adviser in relation to the Placing and the Subscription and the transactions contemplated thereunder; and (iv) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. It is expected that the circular will be despatched to the Shareholders on or before 1 September 2014.

The Independent Board Committee has been established to advise the Independent Shareholders in respect of the terms of the Placing Agreement and the Subscription Agreement. In addition, as approved by the Independent Board Committee, Altus Capital Limited has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders regarding the terms of the Placing Agreement and the Subscription Agreement.

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares and the Subscription Shares.

Completion of the Placing and Subscription are subject to the satisfaction of the conditions precedent in the Placing Agreement and the Subscription Agreement respectively. As the Placing and Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

14 August 2014 (after trading hours)

Parties

Issuer: The Company

Placing Agents: (a) CCB International Capital Limited (建銀國際金融有限公司);
(b) ICBC International Securities Limited (工銀國際證券有限公司);
and
(c) Guosen Securities (HK) Capital Company Limited (國信證券(香港)融資有限公司)

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, save for the warrants held by CCB International Securities Limited (建銀國際證券有限公司) (a fellow subsidiary of CCBI) with purchase right to purchase 47,368,421 Shares (representing approximately 3.6% of the issued share capital of the Company as at the date of this announcement), each of the Placing Agents is a third party independent of and is not connected with the Company and its connected persons.

Number of Placing Shares

CCBI, ICBCI and Guosen have severally and conditionally agreed to procure, on a best effort basis, Placees to subscribe for a total of up to a maximum of 243,900,000 Placing Shares who are to the best knowledge, information and belief of the Placing Agents, independent of and not connected with any of the directors, chief executive or substantial shareholders of the Company or its subsidiaries or their respective associates. It is expected that there shall not be less than six Placees and none of the Placees will become a substantial shareholder of the Company immediately after completion of the Placing and the Subscription. If any of the Placees becomes a new substantial shareholder of the Company after the completion of the Placing and the Subscription, further announcement will be made by the Company.

The maximum number of 243,900,000 Placing Shares represents (i) approximately 18.4% of the existing issued share capital of the Company of 1,328,310,568 Shares as at the date of this announcement; and (ii) approximately 13.3% of the issued share capital of the Company of 1,828,310,568 Shares as enlarged by the allotment and issue of the maximum number of the Placing Shares and the Subscription Shares in aggregate (assuming there will be no other changes in the issued share capital of the Company).

Ranking of Placing Shares

The Placing Shares will rank pari passu in all respects among themselves and with Shares in issue as at the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price Range is HK\$2.80 to HK\$3.28 per Placing Share. The Placing Price will be determined by the Company and the Placing Agents by entering into the Price Determination Agreement on the Price Determination Date.

The maximum Placing Price of HK\$3.28 per Placing Share represents:

- (i) a premium of approximately 13.10% to the closing price of HK\$2.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a premium of approximately 12.25% to the average closing price of approximately HK\$2.92 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares prior to the date of the Placing Agreement.

The minimum Placing Price of HK\$2.80 per Placing Share represents:

- (i) a discount of approximately 3.45% to the closing price of HK\$2.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 4.18% to the average closing price of approximately HK\$2.92 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares prior to the date of the Placing Agreement.

The Placing Price Range was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agents. The Directors consider that the terms of the Placing are fair and reasonable based on the current market conditions and the Placing is in the interests of the Company and the Shareholders as a whole.

Conditions precedent to the Placing

Placing Completion is conditional upon the fulfilment of the following conditions:

- (i) the listing committee of the Stock Exchange granting the listing of and permission to deal in the Placing Shares (and such listing approval not being subsequently revoked);
- (ii) the Independent Shareholders approving the Placing Agreement and the transactions contemplated thereunder at the EGM;
- (iii) the Price Determination Agreement having been entered into by the Company and the Placing Agents and becoming effective on the Price Determination Date;
- (iv) the conditions precedent under the Subscription Agreement having been fulfilled (save for the condition requiring the Placing Agreement to become unconditional) and completion of the Subscription Agreement taking place in accordance with its terms simultaneously with the Placing Agreement; and
- (v) no representation, warranty or undertaking under the Placing Agreement having been breached by the Company or is otherwise rendered inaccurate, untrue or misleading in any material respect or no failure by the Company to perform its obligations under the Placing Agreement, in each case on or prior to the Placing Completion.

If any of the conditions precedents under the Placing Agreement is not fulfilled on or before 9 October 2014 (or such other date as the Company and the Placing Agents may agree in writing) (save that the condition set out in paragraph (iv) above which shall take place simultaneously with the Placing Completion), the Placing Agreement shall terminate with immediate effect and all obligations of each of the parties shall cease and no party shall have any claim against any other party in respect of the Placing Agreement, except for any antecedent breach under the Placing Agreement.

Placing Completion

Placing Completion will take place on the fifth Business Day immediately after the date on which all conditions precedent under the Placing Agreement are fulfilled (or such other date as the Company and the Placing Agents may agree in writing) (save that the condition set out in paragraph (iv) above which shall take place simultaneously with the Placing Completion). Completion of the Placing Agreement and the Subscription Agreement are inter-conditional and shall take place simultaneously. If the Subscription does not proceed to completion, the Placing Completion would not take place and both the Placing Agreement and the Subscription Agreement will terminate in accordance with their respective terms.

THE SUBSCRIPTION

The Subscription Agreement

Date

14 August 2014 (after trading hours)

Parties

Issuer: The Company

Subscriber: Parko (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and a substantial shareholder of the Company which holds 677,438,392 Shares, representing approximately 51.0% of the issued share capital of the Company as at the date of this announcement.

Subscription Shares

The Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue Shares in a number equivalent to 1.05 times of the number of Placing Shares actually placed under the Placing Agreement up to a maximum of 256,100,000 Shares at the Subscription Price. The Subscription Price shall be equivalent to the Placing Price to be determined on the Price Determination Date. The Subscriber shall make or procure the making of payments to the Company in an amount equivalent to the Subscription Price multiplied by the total number of the Subscription Shares upon Subscription Completion.

The maximum number of 256,100,000 Subscription Shares represents (i) approximately 19.3% of the existing issued share capital of the Company of 1,328,310,568 Shares as at the date of this announcement; and (ii) approximately 14.0% of the issued share capital of the Company of 1,828,310,568 Shares as enlarged by the allotment and issue of the maximum number of Placing Shares and the Subscription Shares in aggregate (assuming there will be no other changes in the issued share capital of the Company).

After the completion of the Subscription, the Subscriber will hold up to 933,538,392 Shares (assuming that the maximum number of 256,100,000 Subscription Shares are subscribed for), representing approximately 51.1% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of Placing Shares and the Subscription Shares in aggregate (assuming there will be no other changes in the issued share capital of the Company).

Ranking of Subscription Shares

The Subscription Shares will rank *pari passu* in all respects among themselves and with Shares in issue as at the date of allotment and issue of the Subscription Shares.

Conditions precedent to the Subscription

- (i) the listing committee of the Stock Exchange granting the listing of and permission to deal in the Subscription Shares (and such listing approval not being subsequently revoked);
- (ii) the Independent Shareholders approving the Subscription Agreement and the transactions contemplated thereunder at the EGM;
- (iii) the conditions precedent under the Placing Agreement having been fulfilled (save for the condition requiring the Subscription Agreement to become unconditional) and completion of the Placing Agreement taking place in accordance with its terms simultaneously with the Subscription Agreement; and
- (iv) no representation, warranty or undertaking under the Subscription Agreement having been breached by the Company or is otherwise rendered inaccurate, untrue or misleading in any material respect, in each case on or prior to the Subscription Completion.

If any of the conditions precedents under the Subscription Agreement is not fulfilled on or before 9 October 2014 (or such other date as the Company and the Subscriber may agree in writing) (save for the condition set out in paragraph (iv) above which shall take place simultaneously with the Subscription Completion), the Subscription Agreement shall terminate with immediate effect and all obligations of each of the parties shall cease and no party shall have any claim against any other party in respect of the Subscription Agreement, except for any antecedent breach under the Subscription Agreement.

Subscription Completion

Completion of the Subscription Agreement and the Placing Agreement are inter-conditional and the Subscription Completion will take place simultaneously with the Placing Completion. If the Placing does not proceed to completion, the Subscription Completion will not take place and both the Subscription Agreement and the Placing Agreement will terminate in accordance with their respective terms.

FUND RAISING ACTIVITY IN THE PAST TWELVE MONTHS

The Company has conducted the following fund raising activity in the past twelve months from the date of this announcement:

Date of announcement/ circular	Fund raising activity	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
16 August 2013, 13 September 2013, 19 November 2013 and 28 January 2014	The Company issued convertible bonds (“ Convertible Bonds ”) in the principal amount of approximately HK\$151 million to Parko on 19 November 2013. On 28 January 2014, Parko fully exercised the Convertible Bonds and the Company allotted and issued a total of 79,477,642 shares of HK\$0.10 each (representing 317,910,568 Shares after the share subdivision) as a result of the conversion.	Approximately HK\$148 million	For funding of new investments which the Group may from time to time identify and for general working capital purposes.	<p>(i) Approximately HK\$88 million was used for the capital contribution for the investment in China Coop Financial Leasing Co., Ltd.* (中合盟達融資租賃有限公司) (“China Coop Mengda”) on 4 June 2014 (please refer to the circular issued by the Company on 6 June 2014 (“June 2014 Circular”) for further details relating to China Coop Mengda); and</p> <p>(ii) Approximately HK\$44 million is expected to be used for funding the investment in the new joint venture focusing on the provision of agricultural financial services as disclosed in the June 2014 Circular and approximately HK\$16 million is expected to be used for such other new investment(s) which the Group may from time to time identify and general working capital purposes.</p>

Save as disclosed above, the Company has not conducted any capital raising activities in the 12 months immediately before the date of this announcement.

USE OF PROCEEDS AND THE REASONS FOR THE PLACING AND THE SUBSCRIPTION

Assuming the maximum Placing Shares and Subscription Shares are placed and subscribed for, the gross proceeds from the Placing and the Subscription are expected to be approximately HK\$1,400 million (based on the minimum Placing Price and Subscription Price of HK\$2.80 per Share) to HK\$1,640 million (based on the maximum Placing Price and Subscription Price of HK\$3.28 per Share). The net proceeds of the Placing and the Subscription (after deducting related placing commissions, professional fees and related expenses) are expected to be in the range of approximately HK\$1,382 million to HK\$1,619 million. The Company currently intends to use the net proceeds from the Placing and Subscription in the following manner: (i) approximately 30% for the further capital contribution into China Coop Mengda by Ever Harvest pursuant to the capital contribution agreement dated 14 August 2014 entered into between Ever Harvest and China Coop Mengda, to enhance its capability to take on general leasing and financial leasing business (for further information, please refer to the announcement of the Company dated 14 August 2014); (ii) approximately 30% for the development of the agricultural products trading business in cooperation with Guangzhou Commodity Exchange Limited (廣州商品交易所有限公司) (“**Guangzhou Commodity Exchange**”), including the acquisition of land and/or warehouse(s) and the renovation of warehouses for the storage of agricultural products, establishment of two trading centres for trading of agricultural products and rural land property rights, and the development of online transaction management system for the trading platforms (for further information of the Guangzhou Commodity Exchange, please refer to the announcement of the Company dated 4 June 2014); and (iii) approximately 10% for the funding of such other new investments which the Group may from time to time identify and for general working capital purposes.

On 19 November 2013, the Company raised funds by issuing the Convertible Bonds in the principal amount of approximately HK\$151 million to Parko. As at the Latest Practicable Date, approximately HK\$88 million has been used for the capital contribution for the investment in China Coop Mengda as disclosed in the June 2014 Circular. Out of the unutilised funds raised in the amount of approximately HK\$60 million, HK\$44 million has already been ear-marked by the Company for funding the investment in the new joint venture focusing on the provision of agricultural financial services as disclosed in the June 2014 Circular. As such, the Directors consider that it is in the interests of the Company to raise additional capital from the equity market by the Placing and the Subscription in order to enhance the cash position of the Group and also the capital and shareholder base of the Company for long-term development and to further strengthen its financial position.

The Directors have also considered other ways of fund raising such as debt financing, bank borrowing, rights issue or open offer. As regards to debt financing and bank borrowing, having considered that it would increase the gearing level of the Group and the interest expenses and finance costs would impose additional financial burden to the Group’s future cash flow, the Board considered that such fund raising method is currently not the most appropriate method to the Group. As regards to the viability of a rights issue or an open offer, given that there was a change of control of the Company in October 2013 thus the Company would be unable to demonstrate to potential investors or underwriter(s) of rights issue a proven track record for a considerable period of time, the Directors consider that they may have difficulty to find an independent underwriter in Hong Kong which is interested to underwrite a rights issue or open offer of the Company to raise the proposed amount of funds. The Directors consider that even if such an independent underwriter were identified, the rights issue or open offer would incur costly underwriting commission and the process would be relatively time consuming.

The Directors consider that the Subscription reflects the confidence and commitment of Parko, the controlling shareholder of the Company, towards the long-term and sustainable development of the Company, and that the continuing support of the controlling shareholder of the Company is crucial to ensure the business stability and long-term development of the Group.

In light of the above, the Board is of the view that the Placing and the Subscription are the most appropriate fund raising method and are beneficial to the Company.

Overall, the Directors (excluding the Independent Board Committee), after taking into account the factors, reasons and circumstances disclosed above, consider that the terms of the Placing Agreement and the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

EFFECTS ON SHAREHOLDING STRUCTURE

Assuming that the maximum number of Placing Shares and Subscription Shares will be issued, the expected changes in the share capital and shareholding structure of the Company resulting from the Placing and the Subscription are as follows:

Name of Shareholder	At the date of this announcement		Immediately after the Placing Completion and Subscription Completion	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Subscriber	677,438,392	51.00	933,538,392	51.06
Placees	–	–	243,900,000	13.34
Chou Shih Chung	91,792,000	6.91	91,792,000	5.02
Other public shareholders	559,080,176	42.09	559,080,176	30.58
Total	1,328,310,568	100.00	1,828,310,565	100.00

GENERAL

Information of the Group

The Group is principally engaged in businesses which include rural financial services, trading in agricultural means of production, urbanisation development, and the development, production and sale of IT products in the financial sector.

Specific mandates

The Placing Shares and the Subscription Shares will be allotted and issued under specific mandates to allot, issue and deal with Shares by ordinary resolution(s) to be proposed for passing by the Independent Shareholders at the EGM. The general mandate of the Company will not be used for the issue of the Placing Shares and the Subscription Shares.

Implications of the Listing Rules

As at the date of this announcement, the Subscriber is a substantial shareholder which holds 677,438,392 Shares, representing approximately 51.0% of the issued share capital of the Company. Since the Subscriber is a substantial shareholder and hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules, the Subscription will constitute a connected transaction for the Company and is subject to the announcement, reporting and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

The EGM will be convened for the purpose of considering and, if deemed appropriate, approving, among other things, the Placing, the Subscription and the respective transactions contemplated thereunder.

In accordance with the Listing Rules, any Shareholder who has a material interest in the Placing and/or the Subscription shall abstain from voting on the resolution(s) to approve the Placing or the Subscription and the respective transactions contemplated thereunder at the EGM. The Subscriber will abstain from voting on the relevant resolution(s) at the EGM accordingly. Save for the Subscriber, to the best of knowledge, information and belief of the Directors, no other Shareholder has a material interest in the transactions contemplated under the Placing Agreement or the Subscription Agreement and will be required to abstain from voting on the resolution(s) to approve the Placing or the Subscription and the respective transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the Placing and the Subscription; (ii) a letter from the Independent Board Committee in relation to the Placing and the Subscription and the transactions contemplated thereunder; (iii) a letter of advice from the Independent Financial Adviser in relation to the Placing and the Subscription and the transactions contemplated thereunder; and (iv) a notice convening the EGM, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. It is expected that the circular will be despatched to the Shareholders on or before 1 September 2014.

Independent Board Committee and Independent Financial Adviser

The Independent Board Committee has been established to advise the Independent Shareholders in respect of the terms of the Subscription Agreement. In addition, as approved by the Independent Board Committee, Altus Capital Limited has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders regarding the terms of the Placing Agreement and the Subscription Agreement.

Application for listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares and the Subscription Shares.

Completion of the Placing and Subscription are subject to the satisfaction of the conditions precedent in the Placing Agreement and the Subscription Agreement. As the Placing and Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or public holiday) on which licensed banks in Hong Kong are open for business during their normal business hours
“CCBI”	CCB International Capital Limited (建銀國際金融有限公司), a licensed corporation under the SFO permitted to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities for the purposes of the SFO
“China Coop Mengda”	China Coop Financial Leasing Co., Ltd.* (中合盟達融資租賃有限公司), a limited liability company established in the PRC on 17 August 2012
“Company”	National Agricultural Holdings Limited (國農控股有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purposes of considering, and if thought fit, approving the Placing, the Subscription and the respective transactions contemplated thereunder
“Ever Harvest”	Ever Harvest Inc Limited (禾恒有限公司), a limited company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Group”	collectively, the Company and its subsidiaries from time to time

“Guosen”	Guosen Securities (HK) Capital Company Limited 國信證券(香港)融資有限公司, a licensed corporation under the SFO permitted to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities for the purposes of the SFO
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICBCI”	ICBC International Securities Limited (工銀國際證券有限公司), a licensed corporation under the SFO permitted to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 4 (advising on securities) regulated activities for the purposes of the SFO
“Independent Board Committee”	the independent Board committee, comprising all independent non-executive Directors, namely Ms. Chiu Kam Hing Kathy, Mr. Ting Tit Cheung, Mr. Shum Wan Lung and Mr. Law Yee Kwan Quinn, which has been formed to advise the Independent Shareholders in respect of the Placing and the Subscription and the transactions contemplated thereunder
“Independent Financial Adviser”	Altus Capital Limited, a licensed corporation to conduct type 6 (advising on corporate finance) regulated activities for the purposes of the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Placing Agreement and the Subscription Agreement
“Independent Shareholders”	Shareholders other than the Subscriber
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	investor(s) procured by the Placing Agents to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of up to 243,900,000 Placing Shares by the Placing Agents, on a best effort basis, pursuant to the terms and conditions of the Placing Agreement
“Placing Agent(s)”	CCBI, ICBCI and Guosen

“Placing Agreement”	the conditional placing agreement dated 14 August 2014 entered into between the Company and the Placing Agents in relation to the Placing
“Placing Completion”	completion of the Placing in accordance with the terms and conditions of the Placing Agreement
“Placing Price”	the final placing price within the Placing Price Range to be determined by the Company and the Placing Agents by the execution of the Price Determination Agreement on the Price Determination Date
“Placing Price Range”	HK\$2.80 to HK\$3.28 per Placing Share
“Placing Share(s)”	up to 243,900,000 new Shares to be placed under the Placing
“PRC”	the People’s Republic of China
“Price Determination Agreement”	the agreement to be entered into between the Company and the Placing Agents on or before the Price Determination Date to fix and record the Placing Price
“Price Determination Date”	the date which shall be not later than 5 Business Days after the date of the EGM (or such other date as may be agreed between the Company and the Placing Agents) by which the Placing Price shall be agreed upon between the Company and the Placing Agents by entering into the Price Determination Agreement
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber” or “Parko”	Parko (Hong Kong) Limited, a company incorporated under the laws of Hong Kong
“Subscription”	subscription of Subscription Shares by the Subscriber at the Subscription Price pursuant to the Subscription Agreement

“Subscription Agreement”	the subscription agreement dated 14 August 2014 entered into between the Company and the Subscriber in respect of the Subscription
“Subscription Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“Subscription Price”	the subscription price per Subscription Share which shall be equivalent to the Placing Price
“Subscription Shares”	up to 256,100,000 new Shares to be allotted and issued by the Company to the Subscriber under the Subscription, which shall be equivalent to 1.05 times of the number of Placing Shares actually placed under the Placing Agreement
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

* *for identification purpose only*

By order of the Board
National Agricultural Holdings Limited
Chen Li-Jun
Chairman

Hong Kong, 14 August 2014

As at the date of this announcement, the Board comprises six executive Directors, being Mr. Chen Li-Jun, Mr. Ren Hai, Mr. Peng Guojiang, Mr. Zhang Yuliang, Ms. Wen Yuanyi and Mr. Liu Yong, and four independent non-executive Directors, being Ms. Chiu Kam Hing Kathy, Mr. Ting Tit Cheung, Mr. Shum Wan Lung and Mr. Law Yee Kwan Quinn.