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NATIONAL AGRICULTURAL HOLDINGS LIMITED

國農控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1236)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING

This announcement is a voluntary announcement made by National Agricultural Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that, on 23 September 2014, the Company signed the memorandum of understanding (the “**MOU**”) with China National Agricultural Means of Production Group Corporation (中國農業生產資料集團公司, “**Sino-Agri Group**”) in relation to Sino-Agri Group’s promotion of utilizing the “Nonghuitong” (農匯通) system jointly operated by the Company and Guangzhou Unionpay Network Payment Co., Ltd. (廣州銀聯網絡支付有限公司, “**Guangzhou Unionpay**”).

The MOU

Date: 23 September 2014

Parties: (i) The Company
(ii) Sino-Agri Group

Sino-Agri Group is a group corporation established under the laws of the People’s Republic of China (the “**PRC**”). It is a nationwide large-scale enterprise group which integrates production, circulation and service and specializes in dealing of agricultural means of production, such as chemical fertilizer, pesticides, agricultural film, seeds, agricultural implements, etc. Sino-Agri Group is also the leading enterprise of the circulation of agricultural means of production within the All China Federation of Supply and Marketing Cooperatives System (中國全國供銷社系統).

Pursuant to the MOU, Sino-Agri Group agreed to utilize the “Nonghuitong” (農匯通) system jointly operated by the Company and Guangzhou Unionpay as a platform. Both parties have jointly agreed to firstly embark a pilot run for the “Nonghuitong” (農匯通) in the operation network of Hebei Agricultural Means of Production Company Limited (河北省農業生產資料有限公司, “**Hebei Agricultural Means of Production**”), and then the Sino-Agri Group would, based on stable operation, further enhance its promotion efforts within the system, and expand the scope of application for the “Nonghuitong” (農匯通).

Reasons for entering into the MOU

The “Nonghuitong” (農匯通) system platform is an innovative financial service product for rural areas developed under the proactive cooperation with Guangzhou Unionpay under China Unionpay Co., Ltd. with thorough adherence to the essence of the No.1 policy document issued by the Central Government this year, which represents a proactive exploration in terms of fostering the construction of a modern financial service structure in rural areas. Based on the prepaid “Shangyintong” (商盈通) card system of UnionPay Commercial Company Limited (銀聯商務有限公司), the “Nonghuitong” (農匯通) system platform innovatively establishes a product and function that allow one to use one Unionpay card to manage two accounts on such foundation. Since embarking the official pilot run by Hebei Agricultural Means of Production on 30 June 2014, its operation has been stable and has preliminarily achieved excellent social and corporate benefits.

While enhancing the fund operating efficiency for agricultural means of production enterprises under the Supply and Marketing Cooperatives as well as lowering fund utilization costs, the Company is of the view that signing the MOU could cause the “Nonghuitong” (農匯通) system platform used by the Company for fund settlement to become a more solid platform and enhance the overall business capability of the Company, while serving the “agricultural sector, rural areas and farmers” in a more effective manner.

For and on behalf of
National Agricultural Holdings Limited
Chen Li-Jun
Chairman

Hong Kong, 24 September 2014

As at the date of this announcement, the Board of the Company 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.