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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)

REMOVAL OF THE OFFICE OF AN EXECUTIVE DIRECTOR

The board of directors of National Agricultural Holdings Limited hereby announces that with effect from 18 December 2015, the office of Mr. Zhang Yuliang as an executive Director was removed as the board of directors considered that Mr. Zhang has failed to perform his duties as an executive Director of the Company.

The board (the “**Board**”) of directors (the “**Directors**”) of National Agricultural Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) noted that the Company has not been able to get in contact with Mr. Zhang Yuliang (“**Mr. Zhang**”), an executive Director of the Company for a consecutive period of more than 14 days since 3 December 2015. During the said period, the Company has tried to reach out to Mr. Zhang either by phone and email. Despite the Company’s repeated attempts, Mr. Zhang has failed to respond to the Company.

The Company has also been informed that GuangRong Investment Limited (廣融投資管理有限公司) (“**GuangRong**”), a company which Mr. Zhang is the chairman and the general manager, has ceased operations. The Company is also aware that GuangRong has alleged that, amongst other things, Agripay (農滙通) is one of its principal businesses. The Company would like to clarify that Agripay is a business owned and operated solely by the Group. The Group has no business or other relationships with any companies owned by Mr. Zhang.

On 16 December 2015, the Board held a meeting and considered that Mr. Zhang has failed to perform his duties as an executive Director of the Company due to the reason set forth above. Hence, it is in the best interests of the Company and its shareholders to remove Mr. Zhang from the office of Director pursuant to Article 16.18(f) of the articles of association of the Company (the “**Articles of Association**”), and the Board passed a resolution that Mr. Zhang be removed from his position as an executive Director of the Company (the “**Position**”).

Pursuant to Article 16.18(f) of the Articles of Association, the Directors are empowered to remove a Director from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors then in office.

A written notice (the “**Notice**”) to remove Mr. Zhang from the Position was issued on 17 December 2015 and was signed by 7 Directors, being not less than three-fourths of the total of 10 Directors in office, constitutes a valid notice under and for the purposes of Article 16.18(f) of the Articles of Association. The Notice has been served upon Mr. Zhang by electronic mean to his email address, and by courier to his last known address registered with the Company. The Notice shall be deemed served on the day following the date on which the Notice is posted or successfully transmitted by electronic mean, and the Position of Mr. Zhang shall be vacated on that date, i.e. 18 December 2015.

Save as disclosed above, to the best of the Directors’ knowledge, information and belief, the Board is not aware of any disagreement between Mr. Zhang and the Board or any matter in relation to the removal of Mr. Zhang that needs to be disclosed pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), or any other matter that needs to be brought to the attention of the Stock Exchange and the shareholders of the Company. The Board also considers that the removal of Mr. Zhang from his directorship with the Company will not have any adverse effect on the operations and financial performance of the Company.

The Company will actively look for suitable candidate (including those from All China Federation of Supply and Marketing Cooperation* (中華供銷合作總社) and/or China National Agricultural Means of Production Group Cooperation*) (中國農業生產資料集團公司) to act as executive Director of the Company as soon as practicable and will make further announcement(s) as and when appropriate.

SHAREHOLDERS OF THE COMPANY AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES OF THE COMPANY.

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

Hong Kong, 18 December 2015

As at the date of this announcement, the Board comprises five executive Directors, being Mr. Chen Li-Jun, Mr. Ren Hai, Mr. Peng Guojiang, Ms. Wen Yuanyi and Mr. Liu Yong, and four independent non-executive Directors, being Ms. Chiu Kam Hing Kathy, Mr. Ting Tit Cheung, Mr. Fan William Chung Yue and Mr. Chan Siu Wing Raymond.

* For identification purpose only