CHINA AGRI-PRODUCTS EXCHANGE LIMITED
中國農產品交易有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 0149)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

INTERIM RESULTS

The board of directors (the "**Board**") of China Agri-Products Exchange Limited (the "**Company**") announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2009, together with the comparative figures for the corresponding period in 2008. These interim condensed consolidated financial statements were not audited, but have been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2009

		Six months ended 30 June	
	Notes	**2009**	2008
		(Unaudited)	(Unaudited) (Restated)
		HK$'000	*HK$'000*
Revenue	*3*	**49,677**	118,904
Cost of sales		**(13,289)**	(17,953)
Gross profit		**36,388**	100,951
Other income		**11,643**	3,063
Fair value change on conversion options embedded in convertible notes		**—**	9,944
Administrative expenses		**(34,579)**	(20,337)
Other expenses		**(196,882)**	(23,183)
Finance costs	*4*	**(31,956)**	(28,218)
(Loss)/profit before taxation		**(215,386)**	42,220
Income tax credit/(expense)	*5*	**44,678**	(17,850)
(Loss)/profit for the period	*6*	**(170,708)**	24,370

	Notes	Six months ended 30 June 2009 (Unaudited) HK$'000	2008 (Unaudited) (Restated) HK$'000
Other comprehensive income			
Exchange differences arising on transaction of foreign operations		**(2,583)**	16,890
Other comprehensive income for the period		**(2,583)**	16,890
Total comprehensive income for the period		**(173,291)**	41,260
Profit for the period attributable to:			
Owners of the Company		**(158,159)**	18,368
Non-controlling interests		**(12,549)**	6,002
		(170,708)	24,370
Total comprehensive income attributable to:			
Owners of the Company		**(160,630)**	33,731
Non-controlling interests		**(12,661)**	7,529
		(173,291)	41,260
(Loss)/earnings per share	*8*		
Basic		**(HK$ 0.16)**	HK$ 0.02
Diluted		**(HK$ 0.16)**	HK$ 0.01

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2009

	Notes	**As at 30 June 2009** *HK$'000* **(Unaudited)**	As at 31 December 2008 *HK$'000* (Audited)
Non-current assets			
Property, plant and equipment		**489,901**	15,398
Investment properties		**883,473**	713,450
Prepaid land lease payment		**247**	—
Intangible assets		**300,045**	484,036
Held-to-maturity financial assets		**1,932**	—
Goodwill		**27,466**	—
		1,703,064	1,212,884
Current assets			
Financial assets at fair value through profit or loss		**10,754**	—
Inventories		**802**	807
Trade and other receivables	*9*	**17,332**	6,355
Cash and cash equivalents		**312,126**	239,185
		341,014	246,347
Current liabilities			
Trade and other payables	*10*	**318,171**	247,220
Government grants		**1,535**	1,369
Income tax payable		**72,271**	68,829
Bank and other borrowings		**46,426**	239,455
		438,403	556,873
Net current liabilities		**(97,389)**	(310,526)
Total assets less current liabilities		**1,605,675**	902,358
Non-current liabilities			
Bank and other borrowings		**511,299**	17,039
Promissory notes		**303,604**	294,967
Deferred tax liabilities		**159,034**	126,864
		973,937	438,870
NET ASSETS		**631,738**	463,488
CAPITAL AND RESERVES			
Share capital		**29,187**	119,443
Reserves		**395,568**	273,522
Equity attributable to equity holders of the Company		**424,755**	392,965
Non-controlling interests		**206,983**	70,523
TOTAL EQUITY		**631,738**	463,488

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with Hong Kong Accounting Standard (the "**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

In preparing the condensed consolidated financial statements, the directors of the Company (the "**Director(s)**"), having given careful consideration to the future liquidity of the Group in light of the consolidated net current liabilities of approximately HK$97.4 million as at 30 June 2009, are satisfied that the Group will be able to meet in full its financial obligations as they fall due in the foreseeable future. Accordingly, the condensed consolidated financial statements are prepared on a going concern basis.

2. CHANGES IN ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values as appropriate.

A number of new or revised Standards and Interpretations are effective for the financial year beginning on 1 January 2009. Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed consolidated financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2008.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendments to paragraph 80 of HKAS 39
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligation Arising on Liquidation
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Share-based Payment — Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) — Int 9 and HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) — Int 13	Customer Loyalty Programmes
HK(IFRIC) — Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) — Int 16	Hedges of a Net Investment in a Foreign Operation

HKAS 1 (Revised) "Presentation of Financial Statements" has introduced a number of terminology changes, including revised titles for the condensed consolidated financial statements, and has resulted in a number of changes in presentation and disclosure.

HKFRS 8 "Operating Segments" is a disclosure standard that requires the identification of operating segments to be performed on the same basis as financial information that is reported internally for the purpose of allocating resources between segments and assessing their performance. The predecessor standard HKAS 14 "Segment Reporting", required the identification of two sets of segments (business and geographical) using a risks and returns approach. In the past, the Group's primary reporting format was business segments. The application of HKFRS 8 has not resulted in a re-designation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14 (see note 3).

The adoption of the new and revised HKFRSs has had no material effect on the reported results and financial position of the Group for the current and prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of improvements to HKFRSs issued in 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009[2]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[1]
HKAS 39 (Amendment)	Eligible Hedged Items[1]
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters[3]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[3]
HKFRS 3 (Revised)	Business Combinations[1]
HK(IFRIC) — Int 17	Distribution of Non-cash Assets to Owners[1]
HK(IFRIC) — Int 18	Transfers of Assets from Customers[4]

1 Effective for annual periods beginning on or after 1 July 2009
2 Amendments that are effective for annual periods beginning on or after 1 July 2009 or 1 January 2010 as appropriate
3 Effective for annual periods beginning on or after 1 January 2010
4 Effective for transfers on or after 1 July 2009

The adoption of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition dates are on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary that do not result in loss of control of the subsidiary, will be accounted for as equity transactions.

The Directors anticipate that the application of other new and revised standards, amendments or interpretation will have no material impact on the results and the financial positions of the Group.

3. SEGMENT INFORMATION

The Group has adopted HKFRS 8 "Operating Segments" with effect from 1 January 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive management in order to allocate resources to the segment and to assess its performance. In the past, the Group's primary reporting format was business segments. The application of HKFRS 8 has not resulted in a re-designation of the Group's reportable segment as compared with the primary reportable segment determined with HKAS 14 segment reporting, nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss.

The Group has identified the following two reportable segments. No other operating segments have been aggregated to form the following reportable segments.

Property rental: the leasing of properties

Restaurant operation: the sales of food and beverage

All the operations of the Group are in the PRC.

Six months ended 30 June 2009

	Property Rental *HK$'000*	Restaurant Operation *HK$'000*	Consolidated *HK$'000*
REVENUE			
External sales	**35,834**	**13,843**	**49,677**
RESULT			
Segment results	**18,832**	**(162)**	**18,670**
Unallocated corporate expenses			**(30,980)**
Other income			**11,643**
Impairment of intangible assets			**(174,430)**
Amortisation of intangible assets			**(8,333)**
Finance costs			**(31,956)**
Loss before taxation			**(215,386)**
Income tax credit			**44,678**
Loss for the period			**(170,708)**

Six months ended 30 June 2008

	Property Rental *HK$'000*	Restaurant Operation *HK$'000*	Consolidated *HK$'000*
REVENUE			
External sales	106,470	12,434	118,904
RESULT			
Segment results	89,092	17	89,109
Unallocated corporate expenses			(8,495)
Other income			3,063
Fair value change on conversion options embedded in convertible notes			9,944
Amortisation of intangible assets			(23,183)
Finance costs			(28,218)
Profit before taxation			42,220
Income tax expense			(17,850)
Profit for the period			24,370

The Group's assets and liabilities are physically located in the PRC including Hong Kong and accordingly, no analysis on segment assets and liabilities and capital expenditure is provided.

4. FINANCE COSTS

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
Interest on bank advances and other borrowings wholly repayable within five years	**13,919**	10,540
Promissory notes	**9,400**	9,349
Effective interest on convertible notes	**—**	675
Effective interest on promissory notes	**8,637**	7,654
	31,956	28,218

5. INCOME TAX (CREDIT)/EXPENSE

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
		(Restated)
Other tax:		
PRC Enterprises Income Tax	**1,012**	18,202
Deferred tax	**(45,690)**	(352)
Income tax (credit)/expense	**(44,678)**	17,850

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Company and its subsidiaries had no assessable profits in both periods.

6. (LOSS)/PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
(Loss)/Profit for the period has been arrived at after charging the following items:		
Depreciation	**2,204**	2,023
Amortisation of intangible assets	**8,333**	23,183
Impairment of intangible assets	**174,430**	—
Unrealised losses of listing securities	**1,680**	—

7. DIVIDENDS

The Board does not propose the payment of any interim dividend in respect of the period under review (2008: Nil, but a distribution out of contributed surplus of HK$0.02 per share for the six months ended 30 June 2008).

8. (LOSS)/EARNINGS PER SHARE

The calculation of basic and diluted (loss)/earnings per share attributable to equity holders of the Company is based on the following data:

	Six months ended 30 June	
	2009	2008
	HK$'000	*HK$'000*
(Loss)/earnings		
(Loss)/earnings for the purpose of basic earnings per share attributable to equity holders of the Company	**(158,159)**	18,368
Effect of dilutive potential ordinary shares:		
Interest on convertible notes	**—**	675
Fair value change on conversion options embedded in convertible notes	**—**	(9,944)
(Loss)/earnings for the purpose of diluted earnings per share	**(158,159)**	9,099

Number of shares

	Six months ended 30 June	
	2009	2008
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**1,004,764**	758,736
Effective of dilutive potential ordinary shares:		
Conversion of convertible notes	**—**	6,923
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	**1,004,764**	765,659

The diluted (loss)/earnings per share equal to the basic (loss)/earnings per share for the six months ended 30 June 2009 as all the Company's share options has been lapsed.

The computation of diluted earnings per share does not assume the conversion of the Company's share options for the six months ended 30 June 2008 as the exercise price of the Company's share options was higher than the average market price for shares.

9. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period ranging from 30 days to 60 days to its trade customers. Included in trade and other receivables are trade receivables of approximately HK$1,033,000 (31 December 2008: approximately HK$1,598,000) and their aged analysis at the balance sheet date is as follows:

	At 30 June 2009 *HK$'000*	At 31 December 2008 *HK$'000*
0-90 days	**925**	689
More than 90 days but less than 180 days	**57**	108
More than 180 days	**51**	801
Trade receivables	**1,033**	1,598
Other receivables	**16,299**	4,757
	17,332	6,355

10. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of approximately HK$1,351,000 (31 December 2008: approximately HK$1,340,000) and their aged analysis at the balance sheet date is as follows:

	At 30 June 2009 *HK$'000*	At 31 December 2008 *HK$'000*
0-90 days	**591**	1,340
Over 90 days	**760**	—
	1,351	1,340
Construction payables	**81,568**	88,355
Rental receipt in advance	**3,111**	48,639
Other tax payables	**28,309**	16,274
Other payables and accruals	**73,570**	24,827
Interest payable	**33,240**	20,191
Amount due to former shareholders of the Company's subsidiary	**9,058**	26,645
Amount due to a sub-contractor	**86,652**	—
Deposit	**1,312**	20,949
	318,171	247,220

DIVIDENDS

The Board does not propose the payment of any interim dividend in respect of the six months period ended 30 June 2009 (2008: Nil, but a distribution out of contributed surplus of HK$0.02 per share for the six months ended 30 June 2008).

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of Operating Results

For the six months ended 30 June 2009, the Group recorded a turnover of approximately HK$49.7 million (2008: approximately HK$118.9 million) and a gross profit of approximately HK$36.4 million (2008: approximately HK$101.0 million), representing a decrease of approximately 58.2% and 64.0%, respectively as compared to the corresponding period last year. The decrease was mainly due to the fall in turnover of the Company's subsidiary 武漢白沙州農副產品大市場有限公司 (Wuhan Baisazhou Agricultural By-product Grand Market Company Limited) ("**Baisazhou**").

The loss attributable to equity holders of the Group was approximately HK$158.2 million compared to profit of approximately HK$18.4 million for the corresponding period last year. Such decline in the Group results is primarily attributable to (i) the significantly reduced profitability of the agricultural produce exchange operated by Baisazhou; and (ii) impairment of intangible assets arising from the Group's acquisition of Baisazhou.

Material Acquisition

Acquisition of the entire interest in Shiney Day Investments Limited

On 12 February 2009, the Group entered into an agreement with Active Day Investments Limited for the acquisition of the entire interest of Shiney Day Investments Limited and its subsidiaries (the "**Shiney Day Group**") at a cash consideration of HK$150 million (the "**Acquisition**"). The Shiney Day Group held a 65% of equity interest in Yulin Hong-Jin Agricultural By-products Wholesale Marketplace Limited ("**Yulin Hong-Jin**") and a 51% equity interest in Xuzhou Yuan Yang Trading Development Company Limited ("**Xuzhou Yuan Yang**"). Yulin Hong-Jin owns a land with total site area of approximately 274,000 square metres at Yulin, Guangxi Province, the People's Republic of China (the "**PRC**"), which has been developed into a large scale agricultural by-products wholesale market. Xuzhou Yuan Yang is the owner of and is principally engaged in the operation of an agricultural wholesale market in Xuzhou, Jiangsu Province, the PRC. The Acquisition was completed in March 2009. The Directors considered that the Acquisition is closely related to the daily life of the general population of the PRC, given the favourable government policies on agricultural, further expansion of agricultural wholesale market business of the Group to other geographical locations in the PRC would allow the Group to gain full support from the PRC government with promising prospects.

Review of Operations

The Group is principally engaged in the property rental business in respect of agricultural produce exchanges and the food and beverage, both in the PRC.

Agricultural produce exchanges

Baisazhou, being strategically located in Wuhan, owns and operates at this key gathering point for buyers and sellers of agricultural produce in the central location in the PRC, an agricultural produce exchange occupying a site area of approximately 269,000 square metres. Due to a major fall in its turnover as a result of certain business arrangements, this operation recorded significantly reduced profitability during the period under review.

The development of our agricultural wholesale market complex in Yulin, Guangxi Province, the PRC with various two-storey market stalls and a multi-storey godown is now at its final stage. The Group anticipates this marketplace to commence operation in the last quarter of the year and will positively generate profit for the Group in years to come. The Acquisition of this market was completed in March of this year.

The Group's agricultural wholesale market in Xuzhou, Jiangsu Province, the PRC with various single-storey market stalls and a multi-storey godown is the major marketplace for the supply of fruit and seafood in Xuzhou city. This marketplace is well-equipped and handles a wide range of products. As the Group acquired this operation only in March of this year, its contribution to the Group's turnover is expected to experience significant growth in the second half of the year.

Restaurant operation

The Group's restaurant operation in Shenzhen and Beijing continued to generate steady income for the Group and total turnover of this operation was approximately HK$13.8 million for the six months ended 30 June 2009 (2008: approximately HK$12.4 million).

Administrative expenses and other expenses

The Group has recorded substantial increases in administrative expenses to approximately HK$34.6 million (2008: approximately HK$20.3 million) and other expenses to approximately HK$196.9 million (2008: approximately HK$23.2 million) which were mainly due to the effect of the Group's additional operations at the agricultural produce exchanges in Yulin and Xuzhou, and the impairment of intangible assets in respect of acquisition of Baisazhou.

Future Plans and Prospects

Looking forward, it is expected that the PRC government will continue its support, favourable policies and measures for agricultural and rural development issues. These supportive policies and measures are beneficial for the growth of agricultural upstream, midstream and downstream businesses cycles in the long-term. The Group will continue to focus on intensifying its investment in agricultural by-products wholesale markets in the PRC to further entrench its commitment in supporting the State's "Vegetable Basket Project". In addition, the Group endeavors to build and expand its network of wholesale market platform by establishing partnership in the PRC and exploring business development in the management of agricultural by-products wholesale markets in different cities and provinces in the PRC, so as to deliver long-term benefits to the shareholders of the Company.

Liquidity and Financial Resources

As at 30 June 2009, the Group had total cash and cash equivalents amounting to approximately HK$312.1 million (31 December 2008: approximately HK$239.2 million) whilst total assets and net assets were approximately HK$2,044.1 million (31 December 2008: approximately HK$1,459.2 million) and approximately HK$631.7 million (31 December 2008: approximately HK$463.5 million), respectively. The Group's gearing ratio as at 30 June 2009 was approximately 1.36 (31 December 2008: approximately 1.19), being a ratio of total bank and other borrowings and promissory notes of approximately HK$861.3 million (31 December 2008: approximately HK$551.5 million) to total shareholders' funds of approximately HK$631.7 million (31 December 2008: approximately HK$463.5 million).

As at 30 June 2009, outstanding capital commitments, contracted but not provided for, amounted to approximately HK$37.7 million (31 December 2008: approximately HK$60.8 million) in relation to the purchase of property, plant and equipment and construction contracts.

As at 30 June 2009, the Group had pledged the land use rights and construction work in progress with carrying amount of approximately HK$416.3 million (31 December 2008: approximately HK$255.1 million) to secure certain bank loans.

The Group did not have any outstanding foreign exchange contracts, interest or currency swaps, other derivative financial instruments, options or convertible notes as at 30 June 2009.

Fund Raising Activities

Top-up placing and placing of new shares under general mandate

The Company placed a total of 153 million shares, on a best efforts basis, to the independent third parties at a price of HK$0.25 per share under the general mandate granted to the Directors by the shareholders at the annual general meeting of the Company held on 23 May 2008, completion of which took place on 25 February 2009 and an aggregate net proceeds of approximately HK$37.0 million were raised for general working capital purpose.

Placing of new shares under a specific mandate

On 7 May 2009, the Company entered into a placing agreement with Kingston Securities Limited in respect of the placing of a total of 2 billion shares, on a best efforts basis, to the independent third parties at a price of HK$0.08 per share under a specific mandate granted to the Directors by the shareholders at a special general meeting held on 2 June 2009, completion of which took place on 19 June 2009 and the net proceeds of approximately HK$155.2 million were raised and were intended to be applied towards meeting the working capital requirements of the agricultural produce exchanges operated by the Group and the Group's other general working capital requirements.

Capital Reorganisation

Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 27 April 2009, the Company underwent a capital reorganisation, comprising (i) the change in currency denomination of all the issued and unissued shares from US$0.02 each to HK$0.156 each (the "**Redenominated Shares**"); (ii) the reduction of each issued Redenominated Share from HK$0.156 to HK$0.01 by cancelling HK$0.146 of the paid-up capital on each issued Redenominated Share (the "**Capital Reduction**"); and (iii) the cancellation of the entire authorised but unissued share capital of the Company, including share capital arising from the Capital Reduction, and the subsequent increases by the creation of such number of new shares of HK$0.01 each to bring the authorised share capital of the Company to HK$300,000,000. The capital reorganisation became effective on 28 April 2009.

Adoption of Chinese Name as Secondary Name

Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting of the Company held on 27 April 2009, and with subsequent approval by the Registrar of Companies in Bermuda and the Registrar of Companies in Hong Kong on 3 August 2009 and 18 August 2009, respectively, the Chinese name of "中國農產品交易有限公司" has been adopted as the secondary name of the Company.

Contingent Liabilities

As at 30 June 2009, the Group had no significant contingent liability (31 December 2008: approximately HK$26.7 million).

Employees and Remuneration Policies

As at 30 June 2009, the Group had 434 employees (2008: 500 employees), approximately 96.3% of whom were located in the PRC. The related employees' costs for the period (excluding Directors' emoluments) amounted to approximately HK$4.67 million (2008: approximately HK$4.60 million). The Group's remuneration policy is reviewed periodically by the remuneration committee and the Board and remuneration is determined by reference to market terms, company performance, and individual qualifications and performance.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2009.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the Code on Corporate Governance Practices (the "**Code**") as set out in Appendix 14 to the Listing Rules throughout the period ended 30 June 2009 except for the following deviation:

Code Provision A.4.1

Under Code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. During the period ended 30 June 2009, Mr. James Yin and Mr. Jee Wengue both of them were independent non-executive Directors and who both resigned on 12 February 2009 and Mr. Yan Feng Xian, an independent non-executive Director and retired at the annual general meeting of the Company held on 8 June 2009 were not appointed for a specific term but all of them were subject to retirement by rotation at annual general meeting pursuant to the bye-laws of the Company. Currently, all Directors (both executive and non-executive) are subject to retirement by rotation at the annual general meeting in accordance with bye-law 99 of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's standard of corporate governance in this regard is no less than that provided under Code provision A.4.1.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for the Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all Directors, the Company confirmed that all Directors had complied with the required standard set out in the Model Code throughout the period under review.

AUDIT COMMITTEE

The Company has an audit committee (the "**Audit Committee**"), which was established in accordance with the requirements of the Listing Rules, for the purposes of reviewing and providing supervision over the Group's financial reporting processes and internal controls. On 12 February 2009, Mr. James Yin and Mr. Jee Wengue resigned as independent non-executive Directors and Mr. Ng Yat Cheung, Mr. Lee Chun Ho and Ms. Lam Ka Jen, Katherine, being independent non-executive Directors, were appointed as members of the Audit Committee. Mr. Yan Feng Xian retired as an independent non-executive Director at the annual general meeting of the Company held on 8 June 2009. The existing Audit Committee comprises all the independent non-executive Directors, namely Mr. Ng Yat Cheung, Mr. Lee Chun Ho and Ms. Lam Ka Jen, Katherine, and is chaired by Ms. Lam Ka Jen, Katherine, The Audit Committee has reviewed with the management the unaudited condensed consolidated interim results for the six months ended 30 June 2009.

PUBLICATION OF INTERIM RESULTS AND DESPATCH OF INTERIM REPORT

This interim results announcement is published on the websites of The Stock Exchange of Hong Kong Limited *(www.hkex.com.hk)* and the Company *(www.cnagri-products.com)*. The 2009 interim report containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

By Order of the Board
China Agri-Products Exchange Limited
中國農產品交易有限公司
Chan Chun Hong, Thomas
Chairman

Hong Kong, 25 September 2009

As at the date of this announcement, the executive Directors are Mr. Chan Chun Hong, Thomas, Mr. Ying Yat Man and Mr. Leong Weng Kin and the independent non-executive Directors are Mr. Ng Yat Cheung, Mr. Lee Chun Ho and Ms. Lam Ka Jen, Katherine.