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江 農 國 際 控 股 有 限 公 司
Jiangchen International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(stock code: 01069)

**SUPPLEMENTAL AGREEMENT FOR THE VERY SUBSTANTIAL ACQUISITION
IN RELATION TO THE PROPOSED ACQUISITION OF 100% OF
THE TOTAL ISSUED SHARE CAPITAL OF CHINA TIMBERS LIMITED**

Reference is made to the announcement of Jiangchen International Holdings Limited (the “**Company**”) dated 10 December 2012 (the “**Announcement**”). Terms used in this announcement shall have the same meanings as defined in the Announcement, unless the context requires otherwise.

On 10 December 2012, the Company and the Vendor entered into the Acquisition Agreement, pursuant to which, among other things, the Company has conditionally agreed to acquire from the Vendor the Sale Shares of the Target Company at the Consideration of HK\$350,000,000. Upon Completion of the Acquisition, the Target Company will become a wholly owned subsidiary of the Company.

As more time is required to complete the issuance of HK\$190,000,000 pledged notes of the Company under the subscription agreement dated 15 November 2012, after further negotiations between the parties to the Acquisition Agreement, the Company and Vendor entered into a supplemental agreement in relation to the Acquisition Agreement on 2 January 2013 (the “**Supplemental Agreement**”), for the settlement of the Consideration of HK\$350,000,000 to the Vendor (or his nominee) and the manner of payment was amended as follows:

- (i) as to HK\$60,000,000 in cash as a first refundable deposit on or before 31 January 2013;
- (ii) as to HK\$30,000,000 in cash as a second refundable deposit on or before 31 March 2013;
- (iii) as to HK\$80,000,000 in cash upon Completion; and
- (iv) as to HK\$180,000,000 by issuing the Promissory Note upon Completion.

The first refundable deposit and the second refundable deposit will be fully returned to the Company without any interest in the event the conditions precedent discussed in the Announcement cannot be met or has not been waived on or before 30 June 2013 or such later date as the Vendor and the Company may agree. Having considered the financial positions of the Company and the benefits of the Acquisition as discussed in the Announcement, the Directors are of the view that the amendments to the Acquisition are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Save as disclosed above, all salient terms in the Acquisition Agreement shall be held unchanged. A circular containing, among other things, (i) details of the Acquisition; (ii) financial information of the Target Group; (iii) valuation report and technical report of the Forests; (iv) notice of the EGM; and (v) other information as required under the Listing rules, will be despatched to the Shareholders on or before 31 March 2013.

By order of the Board
Jiangchen International Holdings Limited
Cai Shuiyong
Chairman and Executive Director

Jiangxi Province, the PRC, 2 January 2013

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Cai Shuiyong, Mr. Cai Shuiping and Mr. Lei Zuliang; one non-executive Director, namely Professor Liu Zhikun; and three independent non-executive Directors, namely Mr. Long Weihua, Ms. Chan Ling and Mr. Liu Jianlin.