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COFCO (HONG KONG) LIMITED

中糧集團(香港)有限公司

(Incorporated in Hong Kong with limited liability)



CHINA AGRI-INDUSTRIES HOLDINGS LIMITED

中國糧油控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 606)

JOINT ANNOUNCEMENT

**(1) PROPOSAL FOR THE PRIVATISATION OF
CHINA AGRI-INDUSTRIES HOLDINGS LIMITED BY
COFCO (HONG KONG) LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 673 OF THE COMPANIES ORDINANCE)
(2) PROPOSED WITHDRAWAL OF LISTING OF
CHINA AGRI-INDUSTRIES HOLDINGS LIMITED**

RESULTS OF THE COURT MEETING AND THE GENERAL MEETING

AND

**CLOSURE OF REGISTER OF MEMBERS OF
CHINA AGRI-INDUSTRIES HOLDINGS LIMITED**

Financial Adviser to COFCO (HONG KONG) LIMITED



RESULTS OF THE COURT MEETING AND THE GENERAL MEETING

On Friday, 6 March 2020, the resolution to approve the Scheme was approved by the Independent Shareholders at the Court Meeting in accordance with the requirements of the Companies Ordinance and the Takeovers Code.

On Friday, 6 March 2020, the special resolution to give effect to the Scheme, including the reduction of the share capital of the Company, was approved by the Shareholders at the General Meeting.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Scheme Shareholders who are qualified for entitlements under the Scheme and the Shareholders qualified for entitlement of the Further Interim Dividend, the register of members of the Company will be closed from Friday, 13 March 2020 onwards and during such period, no transfer of Shares will be effected. The Scheme Record Date and the Dividend Record Date are expected to be Tuesday, 17 March 2020.

INTRODUCTION

Reference is made to the scheme document jointly issued by China Agri-Industries Holdings Limited (the “**Company**”) and COFCO (Hong Kong) Limited (the “**Offeror**”) dated 14 February 2020 (the “**Scheme Document**”) in relation to, among other things, the proposal for the privatisation of the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance and the proposed withdrawal of listing of the Company. Unless otherwise defined herein, capitalised terms used herein shall have the same meanings ascribed to them in the Scheme Document.

RESULTS OF THE COURT MEETING

The Court Meeting was held at 10:00 a.m. on Friday, 6 March 2020 at Crystal Ballroom, Level B3, Holiday Inn Golden Mile Hong Kong, 50 Nathan Road, Tsimshatsui, Kowloon, Hong Kong.

In compliance with both the Companies Ordinance and Rule 2.10 of the Takeovers Code, the approval required to be obtained at the Court Meeting in respect of the Scheme would be regarded as obtained if:

- (a) the Scheme was approved (by way of a poll) by holders of the Scheme Shares representing at least 75% of the voting rights of such holders present and voting, in person or by proxy, at the Court Meeting, and the votes cast (by way of poll) against the Scheme at the Court Meeting did not exceed 10% of the total voting rights attached to all CO Disinterested Shares; and

- (b) the Scheme was approved (by way of poll) by at least 75% of the votes attaching to the TC Disinterested Shares that were cast either in person or by proxy at the Court Meeting and the number of votes cast (by way of poll) against the resolution to approve the Scheme at the Court Meeting was not more than 10% of the votes attaching to all TC Disinterested Shares.

At the Court Meeting:

- (i) holders of 1,130,129,301 Scheme Shares (representing approximately 98.84% of the voting rights of the holders of the Scheme Shares present and voting, in person or by proxy, at the Court Meeting) voted in favour of the resolution to approve the Scheme, and holders of 13,264,115 Scheme Shares (representing approximately 0.64% of the total voting rights attaching to all CO Disinterested Shares, being 2,064,897,131 Shares) voted against the resolution to approve the Scheme; and
- (ii) Shareholders holding 1,130,129,301 TC Disinterested Shares (representing approximately 98.84% of the votes attaching to the TC Disinterested Shares which were cast either in person or by proxy at the Court Meeting) voted in favour of the resolution to approve the Scheme, and Shareholders holding 13,264,115 TC Disinterested Shares (representing approximately 0.64% of the votes attaching to all TC Disinterested Shares, being 2,064,569,967 Shares) voted against the resolution to approve the Scheme.

Accordingly, the resolution proposed at the Court Meeting to approve the Scheme was duly passed in accordance with the requirements of both the Companies Ordinance and Rule 2.10 of the Takeovers Code.

As at the date of the Court Meeting: (1) the total number of Shares in issue was 5,260,699,388 Shares; (2) the total number of Scheme Shares was 2,064,897,131 Shares, representing approximately 39.25% of the issued Shares; and (3) the total number of Shares entitled to be voted at the Court Meeting in respect of the Scheme was 2,064,569,967 Shares, representing approximately 39.25% of the issued Shares.

As at 27 November 2019 (the date of the Announcement) and the date of the Court Meeting (being the date of this announcement), the Offeror and the Offeror Concert Parties held, owned, controlled or directed 3,196,048,421 Shares, representing approximately 60.75% of the issued Shares, out of which (i) 3,195,802,257 Shares which the Offeror, Wide Smart and Jumbo Profit are interested in did not form part of the Scheme Shares as disclosed in the Scheme Document and were not voted at the Court Meeting; and (ii) 246,164 Shares held by a close relative of Mr. Yu Xubo and Mr. Song Liang formed part of the Scheme Shares as disclosed in the Scheme Document but were not voted at the Court Meeting.

Notwithstanding the 81,000 Shares owned by connected exempt principal traders within the CICC group were considered as TC Disinterested Shares, such Shares were required not to be voted, and were not voted, at the Court Meeting in accordance with the requirements of Rule 35.4 of the Takeovers Code.

No Shareholder was required under the Listing Rules (including Listing Rule 13.40) to abstain from voting in respect of the Scheme at the Court Meeting.

Tricor Progressive Limited, the share registrar of the Company, acted as the scrutineer for the vote-taking at the Court Meeting.

RESULTS OF THE GENERAL MEETING

The General Meeting was held immediately after conclusion of the Court Meeting on Friday, 6 March 2020 at Crystal Ballroom, Level B3, Holiday Inn Golden Mile Hong Kong, 50 Nathan Road, Tsimshatsui, Kowloon, Hong Kong.

At the General Meeting, in respect of the special resolution to approve and give effect to the Scheme (including the approval of (i) the reduction of the share capital of the Company by cancelling and extinguishing the Scheme Shares, (ii) the increase in the share capital of the Company, and (iii) the issue to the Offeror of such number of new Shares) (the “**Special Resolution**”), a total of 4,295,935,933 Shares (representing approximately 81.66% of the total number of the issued Shares) were voted in person or by proxy on a poll, of which:

- (i) 4,282,698,259 Shares (representing approximately 99.69% of the Shares voted in respect of the Special Resolution) were voted in favour of the Special Resolution; and
- (ii) 13,237,674 Shares (representing approximately 0.31% of the Shares voted in respect of the Special Resolution) were voted against the Special Resolution.

Accordingly, the Special Resolution was approved (by way of poll) by a majority of not less than 75% of the votes cast by the Shareholders present and voting in person or by proxy at the General Meeting.

As at the date of the General Meeting, the total number of Shares in issue was 5,260,699,388 Shares and all Shareholders were entitled to vote for or against the Special Resolution at the General Meeting.

No Shareholder was required under the Listing Rules (including Listing Rule 13.40) to abstain from voting on the Special Resolution at the General Meeting nor did any person state any intention in the Scheme Document to vote against or to abstain from voting on the Special Resolution at the General Meeting.

Tricor Progressive Limited, the share registrar of the Company, acted as the scrutineer for the vote-taking at the General Meeting.

CURRENT STATUS OF THE CONDITIONS OF THE PROPOSAL

As at the date of this announcement, the Proposal remains, and the Scheme will become effective and binding on the Company and all Shareholders, subject to the fulfilment or waiver (as applicable) of the Conditions (3) to (9) as set out in the section headed “4. Conditions of the Proposal and the Scheme” in the Explanatory Statement forming part of the Scheme Document.

Subject to such Conditions being fulfilled or waived (as applicable), the Scheme is expected to become effective on Thursday, 19 March 2020.

PROPOSED WITHDRAWAL OF THE LISTING OF SHARES

The Company has made an application for, and the Stock Exchange has approved, the withdrawal of the listing of the Shares on the Stock Exchange with effective from 9:00 a.m. on Monday, 23 March 2020, subject to the Scheme becoming effective.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Scheme Shareholders who are qualified for entitlements under the Scheme and the Shareholders qualified for entitlement of the Further Interim Dividend, the register of members of the Company will be closed from Friday, 13 March 2020 onwards and during such period, no transfer of Shares will be effected. In order to qualify for entitlements under the Scheme and of the Further Interim Dividend, all transfers accompanied by the relevant share certificates must be lodged with the Share Registrar at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Thursday, 12 March 2020. The Scheme Record Date and the Dividend Record Date are expected to be Tuesday, 17 March 2020.

EXPECTED TIMETABLE

The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company.

Expected last day for trading in the Shares on the Stock Exchange	Monday, 9 March 2020
Share Option Record Date	Monday, 9 March 2020
Latest time and date for lodging the Form of Acceptance in relation to the Option Offer (<i>Note 1</i>)	4:30 p.m. on Monday, 9 March 2020
Lapse of all Share Options (<i>Note 2</i>)	Tuesday, 10 March 2020

Latest time for lodging transfer of Shares in order to qualify for entitlements under the Scheme and the Further Interim Dividend	4:30 p.m. on Thursday, 12 March 2020
Register of members of the Company closed for determining Scheme Shareholders qualified for entitlements under the Scheme and Shareholders qualified for entitlement of the Further Interim Dividend (<i>Note 3</i>)	from Friday, 13 March 2020 onwards
Court hearing of the petition to sanction the Scheme and to confirm the reduction of the share capital of the Company involved in the Scheme	Tuesday, 17 March 2020
Announcement of the results of the court hearing of the petition to sanction the Scheme and to confirm the reduction of the share capital of the Company involved in the Scheme, the expected Effective Date and the expected date of withdrawal of listing of Shares on the Stock Exchange	Tuesday, 17 March 2020
Dividend Record Date (<i>Note 4</i>)	Tuesday, 17 March 2020
Scheme Record Date	Tuesday, 17 March 2020
Effective Date (<i>Note 5</i>)	Thursday, 19 March 2020
Announcement of the Effective Date, the withdrawal of the listing of Shares on the Stock Exchange and the results of the Option Offer	Thursday, 19 March 2020
Expected withdrawal of the listing of Shares on the Stock Exchange becoming effective	9:00 a.m. on Monday, 23 March 2020
Cheques for cash payment under the Scheme and cheques for cash payment for acceptances under the Option Offer to be despatched (<i>Note 6</i>)	on or before Monday, 30 March 2020
Date of payment of the Further Interim Dividend (<i>Note 7</i>)	on or before Friday, 17 April 2020

Notes:

1. Forms of Acceptance, duly completed in accordance with the instructions on them, must be lodged so as to reach the Offeror, care of China Agri-Industries Holdings Limited at 7th Floor, COFCO Fortune Plaza, No. 8 Chaoyangmen South Street, Chaoyang District, Beijing 100020, China, for the attention of the Human Resources Department of the Company not later than 4:30 p.m. on Monday, 9 March 2020 (or such later date as may be notified by the Offeror or CICC or by way of joint announcement by the Offeror and the Company on the website of the Stock Exchange).
2. Pursuant to the terms of the Share Option Scheme, subject to the Scheme becoming effective, all Share Options shall lapse automatically on Tuesday, 10 March 2020 and will no longer be exercisable as from such date.
3. The register of members of the Company will be closed during such period for the purpose of determining Scheme Shareholders who are qualified for entitlements under the Scheme and Shareholders who are qualified for entitlements of the Further Interim Dividend.
4. As disclosed in the announcement of the Company dated 4 February 2020, the Further Interim Dividend will be payable to Shareholders whose names appear on the register of members of the Company on the Dividend Record Date, which will be the earlier of the Scheme Record Date (currently scheduled as Tuesday, 17 March 2020) or Monday, 1 June 2020.
5. The Scheme shall become effective as soon as an office copy of the order of the High Court sanctioning the Scheme (with or without modification) and confirming the reduction of issued share capital of the Company resulting from the cancellation of the Scheme Shares together with a minute and a return that comply with subsections (2) and (3) of section 230 of the Companies Ordinance shall have been registered by the Registrar of Companies under Part 2 of the Companies Ordinance.
6. Cheques for the payment of the Cancellation Price under the Scheme and payment of the Share Option Offer Price under the Option Offer will be sent within seven Business Days following the Effective Date by ordinary post in postage pre-paid envelopes addressed to the persons entitled (or in respect of the Option Offer, at the Optionholder's election, delivered to the Company, as the Optionholder's agent, at its registered office) thereto at their respective registered addresses or, in the case of joint holders, to the registered address of that joint holder whose name stands first in such registers in respect of the joint holding. All such cheques will be posted at the risk of the person(s) entitled thereto and none of the Offeror, the Company, CICC, the Independent Financial Adviser, the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal will be responsible for any loss or delay in despatch.
7. The Further Interim Dividend is expected to be paid within one month of the Dividend Record Date to the Shareholders whose names appear on the register of members on the Dividend Record Date.

All references to times and dates in this announcement are references to Hong Kong times and dates, unless otherwise stated.

GENERAL

Neither the Offeror nor the Offeror Concert Parties have acquired or agreed to acquire any Shares, rights over Shares or any convertible securities, warrants, options or derivatives in respect of the Shares since the date of the Announcement up to the date of this announcement.

As at the date of this announcement, neither the Offeror nor the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

WARNING

Shareholders and potential investors should be aware that the implementation of the Proposal, the Scheme and the Option Offer are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented, the Scheme may or may not become effective and the Option Offer may or may not become unconditional. Such Conditions include but are not limited to the sanction of the Scheme by the High Court which may consider, among others, the voting constituents in the Court Meeting and the terms of the Scheme. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By Order of the board of
COFCO (Hong Kong) Limited
SONG Liang
Director

By Order of the board of
China Agri-Industries Holdings Limited
LUAN Richeng
Chairman

Hong Kong, 6 March 2020

As at the date of this announcement, the directors of the Offeror are Mr. LV Jun, Mr. YU Xubo, Mr. LUO Jiamang and Mr. SONG Liang.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group and the Directors) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Company or the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the Board comprises: Mr. LUAN Richeng as chairman of the Board and non-executive Director; Mr. WANG Zhen, Mr. XU Guanghong and Ms. HUA Jian as executive Directors; Mr. JIA Peng and Mr. MENG Qingguo as non-executive Directors; and Mr. LAM Wai Hon, Ambrose, Mr. Patrick Vincent VIZZONE and Mr. ONG Teck Chye as independent non-executive Directors.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the Group and the Directors and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement by the Company or the Directors have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.