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JOINT ANNOUNCEMENT



CHINA AGRI-PRODUCTS EXCHANGE LIMITED

中國農產品交易所有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 0149)

- (A) PROPOSED CAPITAL REORGANISATION INVOLVING SHARE CONSOLIDATION AND CAPITAL REDUCTION
- (B) CHANGE IN BOARD LOT SIZE
- (C) PROPOSED RIGHTS ISSUE IN THE PROPORTION OF EIGHT (8) ADJUSTED SHARES FOR EVERY ONE
- (1) ADJUSTED SHARE HELD ON THE RECORD DATE AT HK\$0.30 PER RIGHTS SHARE
- (D) SPECIAL DEAL — REPAYMENT OF SHAREHOLDER INDEBTEDNESS
- (E) SHAREHOLDERS' APPROVAL OF WHITEWASH WAIVER UNDER THE TAKEOVERS CODE
- AND
- (F) RESUMPTION OF TRADING



WAI YUEN TONG MEDICINE HOLDINGS LIMITED

(位元堂藥業控股有限公司*)

(Incorporated in Bermuda with limited liability)

(Stock Code: 897)

- (A) MAJOR TRANSACTION IN RELATION TO THE UNDERWRITING OF THE PROPOSED RIGHTS ISSUE
- (B) APPLICATION FOR A WHITEWASH WAIVER UNDER THE TAKEOVERS CODE IN CONNECTION WITH THE UNDERWRITING OF RIGHTS SHARES UNDER THE UNDERWRITING AGREEMENT
- AND
- (C) RESUMPTION OF TRADING



PNG Resources

PNG Resources Holdings Limited

PNG資源控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 221)

- (A) MAJOR TRANSACTION IN RELATION TO THE SUBSCRIPTION OF RIGHTS SHARES COMPRISING THE FULL ACCEPTANCE OF PROVISIONAL ENTITLEMENT AND THE EXCESS APPLICATION FOR RIGHTS SHARES UNDER THE PNG IRREVOCABLE UNDERTAKING
- (B) APPLICATION FOR A WHITEWASH WAIVER UNDER THE TAKEOVERS CODE IN CONNECTION WITH THE SUBSCRIPTION OF THE RIGHTS SHARES UNDER THE PNG IRREVOCABLE UNDERTAKING
- AND
- (C) RESUMPTION OF TRADING



WANG ON GROUP LIMITED

(宏安集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1222)

- APPLICATION FOR A WHITEWASH WAIVER UNDER THE TAKEOVERS CODE

* For identification purpose only

UNDERWRITERS OF THE RIGHTS ISSUE



KINGSTON SECURITIES LTD.



FINANCIAL ADVISER TO CHINA AGRI-PRODUCTS EXCHANGE LIMITED



KINGSTON CORPORATE FINANCE LTD.

CAPITAL REORGANISATION OF, AND RIGHTS ISSUE BY, CAP

Capital Reorganisation and change in board lot size

The CAP Board proposes to effect the Capital Reorganisation comprising:

- (i) a proposed Share Consolidation whereby every eight (8) CAP Shares of nominal value of HK\$0.01 each in the issued share capital of CAP will be consolidated into one (1) Consolidated Share of nominal value of HK\$0.08;
- (ii) a proposed Capital Reduction whereby: (a) the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.08 each to HK\$0.01 each and the issued share capital of CAP shall be reduced by HK\$0.07 per Consolidated Share in issue; and (b) any fractional Consolidated Share in the issued share capital of CAP arising from the Share Consolidation shall be cancelled; and
- (iii) applying the credit arising from the Capital Reduction to set-off the accumulated loss of CAP.

The CAP Shares are currently traded on the Stock Exchange in board lots of 4,000 CAP Shares. The board lot size of the Adjusted Shares will be changed to 5,000 Adjusted Shares after the Capital Reorganisation becomes effective.

Please refer to Part A of this joint announcement for further details.

Rights Issue

CAP proposes to raise gross proceeds of approximately HK\$517.3 million, before expenses, by way of the Rights Issue. CAP shall allot and issue 1,724,168,248 Rights Shares at the Subscription Price of HK\$0.30 per Rights Share, on the basis of eight (8) Adjusted Shares for every one (1) Adjusted Share held on the Record Date. The Rights Issue is conditional on, among other things, the Capital Reorganisation becoming effective.

Applications will be made to the Stock Exchange for the listing of, and the permission to deal in, the Adjusted Shares and the Rights Shares (in both nil-paid and fully-paid forms), as the case may be.

Please refer to Part B of this joint announcement for further details.

THE CAP SGM

The Capital Reorganisation is subject to, among other things, the passing of a special resolution by the CAP Shareholders approving the same at the CAP SGM.

As the Rights Issue will result in an increase in CAP's issued share capital by more than 50%, the Rights Issue is subject to, among other things, the approval by the CAP Independent Shareholders at the CAP SGM.

CAP has established the Independent Board Committee to advise the CAP Independent Shareholders as to, among others, (i) whether the Rights Issue (including the Underwriting Agreement), the Special Deal and the Whitewash Waiver are fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole, and (ii) voting by the CAP Independent Shareholders. CAP has also appointed Beijing Securities Limited as the Independent Financial Adviser to advise the Independent Board Committee and the CAP Independent Shareholders as to (i) whether the terms of the Rights Issue (including the Underwriting Agreement), the Special Deal and the Whitewash Waiver are fair and reasonable, and (ii) voting by the CAP Independent Shareholders.

Use of proceeds of the Rights Issue and the Special Deal

The net proceeds to be raised from the Rights Issue, which are estimated to be approximately HK\$501.7 million (subject to a portion equal to the WYT Underwriter Subscription Amount that may be set-off against the outstanding aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds, depending on whether WYT Underwriter is required to take up any of the Underwritten Shares that it has agreed to underwrite), are intended to be applied: (i) for the payment of construction costs in respect of CAP's existing agricultural produce exchanges in the PRC, (ii) to repay outstanding and upcoming indebtedness of CAP (including indebtedness owed to the PNG Group, the WYT Group and the WOG Group), (iii) for general working capital purposes, and (iv) any remaining amounts for land acquisition opportunities in the PRC.

The repayment by CAP of indebtedness owed to the WOG Group and the PNG Group constitutes a "special deal" under Rule 25 of the Takeovers Code and will be conditional upon obtaining the consent of the Executive under Note 5 to Rule 25 of the Takeovers Code. The Executive will normally consent to the Special Deal provided that: (i) the Independent Financial Adviser publicly states in its opinion that the Special Deal is an arm's length transaction on normal commercial terms and that its terms are fair and reasonable, and (ii) it is approved by the CAP Independent Shareholders at the CAP SGM by way of poll. An application will be made to the Executive for its consent to the Special Deal pursuant to Note 5 to Rule 25 of the Takeovers Code.

Please refer to the section headed "9. Use of proceeds of the Rights Issue" in Part B of this joint announcement for further details on how the net proceeds of the Rights Issue will be applied.

Effects on the shareholding structure of CAP as a result of the Capital Reorganisation and the Rights Issue

Mailful Investments, a wholly-owned subsidiary of WOG, has irrevocably undertaken to CAP that it will not subscribe for any Rights Shares that will be provisionally allotted to it under the Rights Issue. The changes in the shareholding structure of CAP arising from the Capital Reorganisation and the Rights Issue are as follows:

	As at the date of this joint announcement		Immediately after the Capital Reorganisation but before completion of the Rights Issue		Immediately after completion of the Rights Issue, assuming all the Rights Shares are subscribed by the Qualifying Shareholders other than the WOG Group (Note 4)		Immediately after completion of the Rights Issue, assuming all the Rights Shares are subscribed by the PNG Group pursuant to the PNG Irrevocable Undertaking and the Underwriters pursuant to the Underwriting Agreement (Notes 1, 2, 3 and 4)	
	Number of CAP Shares	Approximate %	Number of Adjusted Shares	Approximate %	Number of Adjusted Shares	Approximate %	Number of Adjusted Shares	Approximate %
<i>Concert Group</i>								
PNG Group	346,192,728	20.08	43,274,091	20.08	389,466,819	20.08	559,466,819	28.84
WOG Group	467,500	0.03	58,437	0.03	58,437	0.003	58,437	0.003
WYT Group	—	—	—	—	—	—	660,000,000	34.03
Sub-total	346,660,228	20.11	43,332,528	20.11	389,525,256	20.08	1,219,525,256	62.87
<i>Other CAP Shareholders</i>								
Kingston (including subscribers procured by it) (Note 5)	—	—	—	—	—	—	547,975,520	28.25
Other public CAP Shareholders	1,377,508,023	79.89	172,188,503	79.89	1,550,164,023	79.92	172,188,503	8.88
Total	1,724,168,251	100.00	215,521,031	100.00	1,939,689,279	100.00	1,939,689,279	100.00

Notes:

- Please refer to the section headed “Maintenance of public float” below.
- Assuming all 170,000,000 Rights Shares applied for by Onger Investments by way of excess application pursuant to the PNG Irrevocable Undertaking are allocated to it.
- This scenario is for illustration purpose only and is unlikely to occur since it assumes that: (i) the CAP Independent Shareholders have voted in favour of the Rights Issue at the CAP SGM, but (ii) no Qualifying Shareholder other than Onger Investments would take up their provisional entitlements under the Rights Issue, which is a complete misalignment between the voting behaviour of the CAP Independent Shareholders and their subscription for Rights Shares.
- The WOG Group will not subscribe for any of its provisional allotment of Rights Shares under the Rights Issue.
- As at the date of this joint announcement, Kingston does not have any sub-underwriting arrangements in place. As and when any subscribers for Rights Shares and/or sub-underwriters are procured by Kingston, Kingston will use its best endeavours to ensure that (i) such subscribers and/or sub-underwriters are Independent Third Parties, and (ii) such sub-underwriters will not hold more than 10.0% of the equity interest in CAP upon completion of the Rights Issue.

IRREVOCABLE UNDERTAKING TO SUBSCRIBE FOR RIGHTS SHARES BY PNG

The PNG Irrevocable Undertaking

Onger Investments, a wholly-owned subsidiary of PNG, has irrevocably undertaken to CAP to subscribe for 346,192,728 Rights Shares that will be provisionally allotted to it nil-paid under the Rights Issue. In addition, Onger Investments has irrevocably undertaken to CAP to apply, by way of excess application, for 170,000,000 Rights Shares.

Please refer to Part C of this joint announcement for further information on the PNG Irrevocable Undertaking and the transactions contemplated therein.

Major transaction for PNG

The subscription in full for Onger Investments' provisional allotment and the subscription for additional Rights Shares by way of excess application under the Rights Issue under the PNG Irrevocable Undertaking constitute a major transaction for PNG under Chapter 14 of the Listing Rules, and are therefore subject to the notification, publication and shareholders' approval requirements under the Listing Rules. The PNG SGM will be held to consider and, if thought fit, pass the relevant resolution(s) to approve, among others, the subscription by PNG for up to 516,192,728 Rights Shares under the PNG Irrevocable Undertaking and the transactions contemplated thereunder.

UNDERWRITING OF THE PROPOSED RIGHTS ISSUE BY WYT UNDERWRITER

The Underwriting Agreement

On 23 December 2014, WYT Underwriter, WYT, Kingston and CAP entered into the Underwriting Agreement under which the Underwriters agreed to fully underwrite the Rights Issue (excluding the Rights Shares subject to the PNG Irrevocable Undertaking) as follows:

- (i) WYT Underwriter will underwrite the first 660,000,000 Underwritten Shares (assuming no further CAP Share or Adjusted Share will be issued or repurchased on or before the Record Date); and
- (ii) Kingston will fully underwrite all remaining Underwritten Shares not already taken up by WYT Underwriter, being 547,975,520 Rights Shares.

Each of the Underwriters will receive a commission fee of 2.5% of the aggregate Subscription Price for their respective maximum number of Underwritten Shares agreed to be underwritten.

The Underwriting Agreement may be terminated by any of the Underwriters prior to the Latest Time For Termination upon the occurrence of certain events.

No sub-underwriting arrangement will be made by WYT Underwriter.

Please refer to the sections headed "7. Principal terms of the Underwriting Agreement" in Part B of this joint announcement for further details.

Major transaction for WYT

The underwriting by WYT Underwriter of up to 660,000,000 Rights Shares under the Underwriting Agreement constitutes a major transaction for WYT under Chapter 14 of the Listing Rules. It is subject to the notification, publication and shareholders' approval requirements under the Listing Rules. The WYT SGM will be held to consider and, if thought fit, pass the relevant resolution(s) to approve, among others, the underwriting by WYT Underwriter of up to 660,000,000 Rights Shares under the Underwriting Agreement and the transactions contemplated thereunder.

Maintenance of public float

Kingston shall use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it shall be an Independent Third Party and not acting in concert with any members of the Concert Group. In the event of Kingston being called upon to subscribe for or procure subscribers for the Untaken Shares under the Underwriting Agreement, Kingston shall use its best endeavours to ensure that the public float requirements under Rule 8.08 of the Listing Rules be fulfilled by CAP upon completion of the Rights Issue.

APPLICATION FOR WHITEWASH WAIVER UNDER THE TAKEOVERS CODE

As at the date of this joint announcement, the Concert Group holds in aggregate 346,660,228 CAP Shares, representing approximately 20.11% of the issued share capital and voting rights of CAP. Under the Rights Issue, if no shareholder of CAP (including the WOG Group) but other than Onger Investments takes up any Rights Shares, the voting rights in CAP held by the Concert Group will increase from approximately 20.11% to approximately 62.87%.

The Concert Group will, as a result of this acquisition of voting rights in CAP, incur an obligation to make a mandatory offer for all the Adjusted Shares other than those held or agreed to be acquired by the Concert Group, unless the Whitewash Waiver is granted. The grant of the Whitewash Waiver is a condition precedent to the Rights Issue, which may not be waived. If the Whitewash Waiver is not granted, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed.

An application will be made to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the CAP Independent Shareholders at the CAP SGM by way of poll. The Concert Group and persons who are involved in, or interested in, the Rights Issue, the Underwriting Agreement, the PNG Irrevocable Undertaking, the Special Deal and/or the Whitewash Waiver are required under the Takeovers Code to abstain from voting on the resolutions to be proposed at the CAP SGM to approve the Whitewash Waiver.

Please refer to Parts E and F of this joint announcement for further details.

RESUMPTION OF TRADING

At the requests of CAP, PNG and WYT respectively, trading in the CAP Shares, CAP's 1 per cent notes due 2024 (Stock Code: 5755), the PNG Shares and the WYT Shares on the Stock Exchange were suspended with effect from 9:00 a.m. on Wednesday, 24 December 2014 pending the release of this joint announcement. Applications have been made to the Stock Exchange for the resumption of trading in the CAP Shares, CAP's 1 per cent notes due 2024 (Stock Code: 5755), the PNG Shares and the WYT Shares respectively, on the Stock Exchange with effect from 9:00 a.m. on Friday, 9 January 2015.

WARNING OF RISKS OF DEALINGS IN CAP SHARES, CAP'S 1 PER CENT NOTES DUE 2024, ADJUSTED SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is conditional upon the fulfillment of the conditions set out in the section headed “5. Conditions of the Rights Issue” in Part B of this joint announcement. In particular, the Rights Issue is subject to the Underwriters not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Rights Issue may or may not proceed. Any CAP Shareholders or potential investors contemplating selling or purchasing the CAP Shares, CAP's 1 per cent notes due 2024 (Stock Code: 5755), the Adjusted Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional or may not proceed. The CAP Shareholders and potential investors should exercise caution when dealing in the CAP Shares, CAP's 1 per cent notes due 2024 (Stock Code: 5755), the Adjusted Shares and/or nil-paid Rights Shares. If they are in any doubt about their position, they should consult his/her/its own professional advisers.

PART A: CAPITAL REORGANISATION OF CAP

1. Capital Reorganisation and change in board lot size

The CAP Board proposes to effect the Capital Reorganisation comprising:

- (i) a proposed Share Consolidation whereby every eight (8) CAP Shares of nominal value of HK\$0.01 each in the issued share capital of CAP will be consolidated into one (1) Consolidated Share of nominal value of HK\$0.08;
- (ii) a proposed Capital Reduction whereby: (a) the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.08 each to HK\$0.01 each and the issued share capital of CAP shall be reduced by HK\$0.07 per Consolidated Share in issue; and (b) any fractional Consolidated Share in the issued share capital of CAP arising from the Share Consolidation shall be cancelled; and
- (iii) applying the credit arising from the Capital Reduction to set-off the accumulated loss of CAP.

The Capital Reorganisation is subject to, among other things, the passing of a special resolution by the CAP Shareholders approving the same at the CAP SGM. No CAP Shareholder is required to abstain from voting in this respect. Please refer to the section headed “1. CAP Circular; CAP SGM; and Despatch of the Prospectus Documents” in Part F of this joint announcement for information relating to the CAP SGM.

2. Conditions of the Capital Reorganisation

The implementation of the Share Consolidation and the Capital Reduction are inter-conditional on each other. The implementation of the Capital Reorganisation is conditional upon, among other things:

- (i) the passing of a special resolution approving the Capital Reorganisation by the CAP Shareholders at the CAP SGM;
- (ii) compliance with Section 46(2) of the Companies Act to effect the Capital Reduction, which includes the publication of a notice in relation to the Capital Reduction in Bermuda in accordance with the Companies Act; and

- (iii) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Adjusted Shares.

Assuming the above conditions are fulfilled, the Capital Reorganisation is expected to become effective on the next business day after the date of passing of the relevant resolution approving the Capital Reorganisation at the CAP SGM. Subject to the fulfillment of the above conditions, the Capital Reorganisation will comply with the relevant laws of Bermuda and the Bye-Laws.

3. Effects of the Capital Reorganisation

As at the date of this joint announcement, the authorised share capital of CAP is HK\$300,000,000.00 divided into 30,000,000,000 CAP Shares, of which 1,724,168,251 CAP Shares are issued and credited as fully paid. Upon the proposed Share Consolidation becoming effective and based on the issued share capital as at the date of this joint announcement, the issued share capital of CAP will be consolidated into 215,521,031 Consolidated Shares of nominal value of HK\$0.08 each.

Upon the proposed Capital Reduction becoming effective, the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.08 each to HK\$0.01 each and the issued share capital of CAP shall accordingly be reduced to the extent of HK\$0.07 per Consolidated Share in issue. Upon completion of the Share Consolidation and the Capital Reduction, the issued share capital of CAP will be reduced to HK\$2,155,210.31 divided into 215,521,031 Adjusted Shares of nominal value of HK\$0.01 each.

Any fractional Consolidated Shares to which an individual CAP Shareholder is entitled to will not be issued by CAP to such CAP Shareholders, but will be aggregated, sold and retained for the benefit of CAP. Any fractional Consolidated Share in the issued share capital of CAP arising from the Share Consolidation shall be cancelled. The resulting Adjusted Shares of nominal value of HK\$0.01 each will rank *pari passu* in all respects with each other in accordance with the Bye-Laws.

Assuming no further CAP Share will be issued or repurchased between the date of this joint announcement and the date on which the Capital Reorganisation becomes effective, a credit of approximately HK\$15,086,472 will arise as a result of the Capital Reduction and will be applied to set-off the accumulated loss of CAP.

Other than the relevant expenses incurred, the implementation of the Capital Reorganisation will have no effect on the consolidated net asset value of the CAP Group, nor will it alter the underlying assets, business, operations, management or financial position of the CAP Group or the interests of the CAP Shareholders as a whole, save for any fractional Consolidated Shares (if any) to which the CAP Shareholders would otherwise be entitled to. The CAP Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of CAP and that on the date the Capital Reorganisation is to become effective, there are no reasonable grounds for believing that CAP is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due. The Capital Reorganisation will not involve any diminution of any liability in respect of any unpaid capital of CAP or the repayment to the CAP Shareholders of any unpaid capital of CAP, nor will it result in any change in the relative rights of the CAP Shareholders.

4. Reasons for the Capital Reorganisation

As a result of the Capital Reorganisation, CAP's share capital and reserves will more closely reflect the available net assets of CAP. In addition, the Capital Reorganisation will provide greater flexibility for equity fund-raising of CAP in the future. The credit arising from the Capital Reduction will be applied to set-off the accumulated loss of CAP.

In view of the above, the CAP Board considers that the Capital Reorganisation is in the interests of CAP and the CAP Shareholders as a whole.

5. Listing and dealings

An application will be made by CAP to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Adjusted Shares.

Subject to the granting of the listing of, and the permission to deal in, the Adjusted Shares on the Stock Exchange, the Adjusted Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Adjusted Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

6. Free exchange of CAP Share certificates

Subject to the Capital Reorganisation becoming effective, the CAP Shareholders may submit certificates for the existing CAP Shares to the Registrar during normal business hours from Wednesday, 25 February 2015 to Thursday, 2 April 2015 (both dates inclusive) to exchange for the new certificates of the Adjusted Shares at the expenses of CAP. Thereafter, certificates for the existing CAP Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) for each share certificate of the existing CAP Shares submitted for cancellation or each new share certificate issued for the Adjusted Shares, whichever number of certificates cancelled or issued is higher. The existing certificates will be valid for trading and settlement up to 4:00 p.m. on Tuesday, 31 March 2015 being the latest time and date for trading in board lot of 500 Adjusted Shares in the form of existing certificates (or such other date which will be announced by CAP) and will continue to be good evidence of legal title after the Capital Reorganisation has become effective and may be exchanged for certificates of the Adjusted Shares at any time in accordance with the foregoing.

7. Change in board lot size

The CAP Shares are currently traded on the Stock Exchange in board lots of 4,000 CAP Shares. The board lot size of the Adjusted Shares will be changed to 5,000 Adjusted Shares after the Capital Reorganisation becomes effective.

Based on the closing price of HK\$0.214 per CAP Share as quoted on the Stock Exchange on the Last Trading Day, the prevailing board lot value is HK\$856 in the board lot size of 4,000 CAP Shares and, based on the theoretical ex-entitlement price of the Adjusted Shares of approximately HK\$0.457 per Adjusted Share with reference to the closing price of HK\$0.214 per CAP Share on the Last Trading Day, the new estimated board lot value would be approximately HK\$2,285 in the new board lot size of 5,000 Adjusted Shares. The CAP Board believes that the enlarged board lot size will facilitate the trading of the Adjusted Shares following the Capital Reorganisation. The change in board lot size will not affect any of the CAP Shareholders' rights.

As from Wednesday, 11 March 2015 any new share certificates will be issued in board lots of 5,000 Adjusted Shares each (except for odd lots or where the Registrar is otherwise instructed). The expected timetable for such change in board lot size is set out in the section headed "10. Expected timetable for the Rights Issue" in Part B of this joint announcement.

The CAP Shareholders may submit their existing share certificates in board lots of 4,000 CAP Shares each to the Registrar in exchange for new share certificates in board lots of 5,000 Adjusted Shares each free of charge. The details about the free exchange of share certificates are set out in the section headed “6. Free exchange of CAP Share certificates” in this Part A of this joint announcement.

8. Arrangements for trading of odd lots

In order to facilitate the trading of odd lots (if any) of the Adjusted Shares arising from the Capital Reorganisation and change in board lot size, a designated broker will be appointed to match the purchase and sale of odd lots of the Adjusted Shares at the relevant market price per Adjusted Share for the period from 9:00 a.m. on Wednesday, 11 March 2015, to 4:00 p.m. on Wednesday, 15 April 2015 (both dates inclusive). Holders of odd lots of the Adjusted Shares should note that successful matching of the sale and purchase of odd lots of the Adjusted Shares is not guaranteed. Any CAP Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. Details of the matching service will be provided in the CAP Circular.

9. Fractional entitlements to Adjusted Shares

Fractional Adjusted Shares to which an individual CAP Shareholder is entitled to will not be issued by CAP to such CAP Shareholders. Any such fractional entitlements to the Adjusted Shares will be aggregated, sold and retained for the benefit of CAP.

PART B: PROPOSED RIGHTS ISSUE BY CAP

1. The Rights Issue

CAP proposes to raise gross proceeds of approximately HK\$517.3 million, before expenses and subject to the possible set-off as outlined in scenarios (ii) and (iii) of the section headed “9. Use of proceeds of the Rights Issue” in this Part B of this joint announcement, by way of the Rights Issue. CAP shall allot and issue 1,724,168,248 Rights Shares at the Subscription Price of HK\$0.30 per Rights Share. After deducting for expenses associated with the Rights Issue (including the commission fee payable to each of the Underwriters) of approximately HK\$15.6 million, the net price to CAP of each Rights Share will be approximately HK\$0.29. The Rights Issue (excluding the Rights Shares subject to the PNG Irrevocable Undertaking) is fully underwritten by the Underwriters and is conditional on, among other things, the Capital Reorganisation becoming effective.

2. Issue statistics

Basis of the Rights Issue	:	Eight (8) Adjusted Shares for every one (1) Adjusted Share held on the Record Date
Subscription Price	:	HK\$0.30 per Rights Share payable in full on acceptance
Net price to CAP per Rights Share	:	Approximately HK\$0.29
Number of CAP Shares in issue as at the date of this joint announcement	:	1,724,168,251 CAP Shares
Number of Adjusted Shares in issue upon completion of the Capital Reorganisation	:	215,521,031 Adjusted Shares (assuming that no further CAP Share is issued or repurchased between the date of this joint announcement and the date on which the Capital Reorganisation becomes effective)

Number of Rights Shares to be issued : 1,724,168,248 Adjusted Shares
pursuant to the Rights Issue

Total number of issued Adjusted : 1,939,689,279 Adjusted Shares
Shares upon completion
of the Rights Issue

The total number of 1,724,168,248 Adjusted Shares issued pursuant to the Rights Issue represents:

- (i) approximately 800% of the number of the Adjusted Shares immediately upon completion of the Capital Reorganisation (based on CAP's existing issued share capital as at the date of this joint announcement); and
- (ii) approximately 88.89% of CAP's issued share capital as enlarged by the issue of the Rights Shares.

3. Subscription Price

The Subscription Price is HK\$0.30 per Rights Share, payable in full on acceptance. The Subscription Price represents:

- (i) a discount of approximately 82.48% to the adjusted closing price of HK\$1.712 per Adjusted Share, based on the closing price of HK\$0.214 per CAP Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation;
- (ii) a discount of approximately 82.31% to the adjusted average closing price of approximately HK\$1.696 per Adjusted Share, based on the average closing price of approximately HK\$0.212 as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day and adjusted for the effect of the Capital Reorganisation;
- (iii) a discount of approximately 34.35% to the theoretical ex-entitlement price of approximately HK\$0.457 per Adjusted Share after the Rights Issue, based on the closing price of HK\$0.214 per CAP Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation; and
- (iv) a discount of approximately 96.33% to the unaudited total equity attributable to the owners of CAP per Adjusted Share of approximately HK\$8.18 as at 30 June 2014 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$80.0 million and approximately HK\$57.5 million from the separate placements of CAP Shares completed in September and November 2014, respectively.

4. Basis of determining the Subscription Price and subscription ratio

The Subscription Price and the subscription ratio were determined, among others, as a result of arm's length negotiations between CAP and the Underwriters, and reflects the best commercial deal that CAP could negotiate with the Underwriters on terms commercially acceptable to both CAP and the Underwriters. The determination was also driven by:

- (i) the capital needs of the CAP Group, in light of its ongoing construction costs and land acquisition expenses to support the continued growth of the CAP Group (see the section headed "9. Use of proceeds of the Rights Issue" in this Part B for further details);

- (ii) the financial position of the CAP Group, in light of a significant part of its present net assets consisting of property, particularly stock of properties, which have relatively lower liquidity and are not as readily realisable into cash that could otherwise be used to repay the CAP Group's outstanding and upcoming indebtedness (see the section headed "9. Use of proceeds of the Rights Issue" in this Part B for further details);
- (iii) the market price of the CAP Shares;
- (iv) previous fund-raising activities of the CAP Group (see the section headed "22. Previous fund-raising exercises in the prior 12-month period" in this Part B for further details); and
- (v) the prevailing market conditions.

In particular, the CAP Board considered and notes the following key aspects of the Rights Issue:

- (i) **strengthening of capital base** — the Rights Issue, if successful, would enable CAP to raise net proceeds of approximately HK\$501.7 million, subject to the possible set-off against the outstanding aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds, as outlined in scenarios (ii) and (iii) of the section headed "9. Use of proceeds of the Rights Issue" in Part B of this joint announcement. Based on CAP's unaudited total equity attributable to the owners of CAP of approximately HK\$1,625.7 million as of 30 June 2014 (as disclosed in the unaudited interim results of CAP for the six months ended 30 June 2014), the Rights Issue is intended to strengthen CAP's equity base by approximately 30.86%;
- (ii) **costs of fund-raising through debt** — had CAP raised HK\$501.7 million in the form of debt rather than equity, assuming the debt carried an interest of 8.8% per year (being the weighted average of the interest rate payable by CAP on its debt as of 30 June 2014), CAP would have to pay approximately HK\$44.1 million per year in interest. The equity raised through the Rights Issue would not be interest-bearing and hence CAP would have a notional savings in interest payable of approximately HK\$44.1 million per year compared with incurring debt of the same amount;
- (iii) **safeguards for the CAP Shareholders** — the relatively high subscription ratio and deep discount structure of the Rights Issue is a commercial decision of CAP which is required to be approved, as part of the terms of the Rights Issue, by the CAP Independent Shareholders at the CAP SGM. The CAP Shareholders' interests are safeguarded by the fact that the CAP Independent Shareholders, before exercising their respective voting rights, will be advised by the Independent Board Committee (comprising all independent non-executive CAP Directors) and the Independent Financial Adviser. The CAP Independent Shareholders can then make an informed decision as to whether to vote in favour of the Rights Issue on the terms proposed. If the Rights Issue is approved at the CAP SGM, it is unlikely that those CAP Independent Shareholders voting in favour of the Rights Issue would subsequently choose not to subscribe for their provisional entitlement of Rights Shares;

- (iv) **previous use of similar structure for the Rights Issue** — the subscription ratio and the theoretically large potential dilution effect of approximately 88.9% under the Rights Issue (using the extreme case assumption that the CAP Independent Shareholders have approved the Rights Issue at the CAP SGM but no Qualifying Shareholders take up their provisional entitlements under the Rights Issue) are also highly unlikely to be adverse to the interests of, or be of material concern to, CAP and the CAP Shareholders, based on CAP’s recent track record of fund raising activities. On the contrary, as demonstrated by the rights issue completed by CAP in March 2014 (see the section headed “22. Previous fund-raising exercises in the prior 12-month period” of this Part B of this joint announcement for further details) which shared similar characteristics to the Rights Issue, this method of capital raising has proven to be successful and attractive for both CAP and the CAP Shareholders. The comparatively higher subscription ratio of fifteen (15) for one (1) in that case was conducive to being oversubscribed, with CAP receiving valid acceptances and applications for approximately 107.42% of the total number of rights shares then available and issued. In view of this previous successful fund-raising exercise which was approved by the CAP Independent Shareholders and oversubscribed by the CAP Shareholders, the CAP Board considers that the similar structure adopted for the Rights Issue, which has an even lower subscription ratio and a lesser theoretical potential dilution impact on the CAP Shareholders, would be an effective fund-raising option for CAP; and
- (v) **Subscription Price to encourage participation** — the deep discount of 82.48% to the adjusted closing price per Adjusted Share based on the closing price per CAP Share on the Last Trading Day (and adjusted for the effect of the Capital Reorganisation) represented by the Subscription Price is made with a view to encouraging the Qualifying Shareholders to participate in the Rights Issue and accordingly maintain their shareholdings in CAP and participate in the future growth of CAP. In addition, as has been indicated to CAP during the negotiation of the Underwriting Agreement, given the high subscription ratio, the theoretically large potential dilution effect and the structure of the Rights Issue which is similar to the rights issue completed by CAP in March 2014, a subscription price with a deep discount to the adjusted closing price is necessary to induce the Underwriters to participate in the underwriting of the Underwritten Shares, which is an essential part of the Rights Issue. The CAP Board considers that this discount is acceptable and in line with market practices for a company listed on the Stock Exchange with similar characteristics and a market capitalisation to that of CAP’s, particularly in light of the comparatively larger discount of the subscription price under the rights issue completed by CAP in March 2014 (which had a very high take-up rate by the then CAP public shareholders) as well as the prevailing market conditions of capital markets in Hong Kong as at the date of this joint announcement.

Furthermore, in view of (i) the limited number of underwriters who work with companies of CAP’s market capitalisation (see further below of this section headed “4. Basis of determining the Subscription Price and subscription ratio”), (ii) the Subscription Price and subscription ratio under the Rights Issue being negotiated on an arm’s length commercial basis between CAP and the Underwriters, and (iii) the period of the matching service being provided by CAP to match the purchase and sale of odd lots of the Adjusted Shares (see the section headed “8. Arrangements for trading of odd lots” in Part A of this joint announcement for further details), the agreed Subscription Price, subscription ratio, the deep discount structure and resulting odd board lots situation is the best commercial deal that CAP could negotiate with the Underwriters which reflects a commercially acceptable position to both CAP and the Underwriters.

Taking into account all of the above factors, and the alternative financing methods CAP had considered and referred to under the section headed “8. Reasons for the Rights Issue” in this Part B of this joint announcement, the CAP Board (excluding the independent non-executive CAP Directors whose opinion will be set out in the CAP Circular, after having been advised by the Independent Financial Adviser) is of the view that the structure and terms of the Rights Issue, including its Subscription Price, subscription ratio and its theoretical large potential dilution effect are: (i) necessary and commercially unavoidable to attract the Underwriters to participate in the Rights Issue on terms acceptable to both CAP and the Underwriters, and therefore necessary for CAP to successfully complete the Rights Issue, and (ii) in light of the resulting benefits to CAP from completion of the Rights Issue and mechanisms in place to sufficiently safeguard the CAP Shareholders’ interests, in the interests of CAP and the CAP Shareholders as a whole.

CAP has not approached any other independent underwriters to consider underwriting this Rights Issue, for the following reasons:

- (i) CAP is a company with a small market capitalisation, being approximately HK\$369.0 million immediately before the CAP Shares were suspended from trading before the publication of this joint announcement. There are only a limited number of underwriters who work with companies of this size;
- (ii) CAP has a long standing relationship with Kingston whom it believes is a reputable securities firm that is willing to engage with companies of the size of CAP and has a track record of completing capital market deals successfully with CAP; and
- (iii) CAP is mindful of the laws and regulations in Hong Kong pertaining to the need to keep inside information confidential pending an announcement and not putting any person in a privileged dealing position. As the Rights Issue is a piece of highly material and price sensitive information, CAP did not consider approaching multiple potential underwriters with whom it does not have prior a business relationship to be conducive to compliance with the relevant laws and regulations.

5. Conditions of the Rights Issue

The Rights Issue is subject to the following conditions:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two CAP Directors (or by their agents duly authorised in writing) in accordance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance as having been approved by resolutions of the CAP Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus to the Excluded Shareholders, if any, for information purposes only, on or before the Prospectus Posting Date;
- (iii) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and the permission to deal in, the Adjusted Shares and the Rights Shares (in both nil-paid and fully-paid forms) by no later than the first day of their dealings;

- (iv) the Underwriting Agreement not being terminated by any of the Underwriters pursuant to the terms thereof prior to the Latest Time For Termination;
- (v) the passing of the necessary resolution(s) by the CAP Shareholders (or, where applicable, the CAP Independent Shareholders) at the CAP SGM approving and confirming: (a) the Capital Reorganisation, (b) the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement) and authorising the CAP Directors to allot and issue the Rights Shares (in their nil-paid and fully-paid forms) (to be voted on by the CAP Independent Shareholders), (c) the Special Deal (to be voted on by the CAP Independent Shareholders), and (d) the Whitewash Waiver (to be voted on by the CAP Independent Shareholders), each in accordance with the Bye-Laws, the Listing Rules and the Takeovers Code on or before the Record Date;
- (vi) the passing of the necessary resolution(s) by the PNG Shareholders at the PNG SGM to approve, among others, the subscription of Rights Shares (including by way of excess application) under the Rights Issue pursuant to the PNG Irrevocable Undertaking and the transactions contemplated thereunder;
- (vii) the Executive granting to the Concert Group the Whitewash Waiver and the satisfaction of all conditions (if any) attached thereto and such other necessary waiver or consent (including for the Special Deal) as may be required to be obtained from the Executive for the transactions contemplated under the Rights Issue;
- (viii) the Capital Reorganisation having become effective;
- (ix) the compliance with and performance of all undertakings and obligations of Onger Investments, or any of its respective associates, under the PNG Irrevocable Undertaking;
- (x) the passing of the necessary resolution(s) by the WYT Shareholders at the WYT SGM to approve, among others, the underwriting of the Underwritten Shares by WYT Underwriter under the Rights Issue pursuant to the Underwriting Agreement and the transactions contemplated thereunder;
- (xi) if necessary, the obtaining of the consent or permission from the Bermuda Monetary Authority in respect of the issue of the Rights Shares; and
- (xii) there being no Specified Event occurring prior to the Latest Time For Termination.

The conditions are incapable of being waived. If any of the above conditions is not satisfied in whole by Monday, 30 March 2015 (or such other time and/or date specified therein) or such other time and/or date as CAP and the Underwriters may agree in writing, the Underwriting Agreement shall be terminated accordingly and the Rights Issue will not proceed. In such circumstance, no party will have any claim against the other parties for costs, damages, compensation or otherwise save for any antecedent breaches.

6. Changes in the shareholding structure of CAP arising from the Capital Reorganisation, the Rights Issue and maintenance of public float

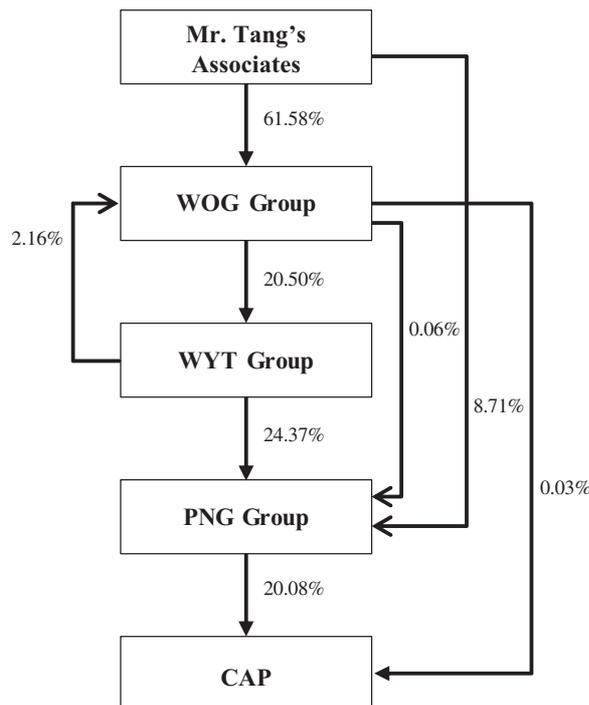
The changes in the shareholding structure of CAP arising from the Capital Reorganisation and the Rights Issue are as follows:

	As at the date of this joint announcement		Immediately after the Capital Reorganisation but before completion of the Rights Issue		Immediately after completion of the Rights Issue, assuming all the Rights Shares are subscribed by the Qualifying Shareholders other than the WOG Group (Note 3)		Immediately after completion of the Rights Issue, assuming all the Rights Shares are subscribed by the PNG Group pursuant to the PNG Irrevocable Undertaking and the Underwriters pursuant to the Underwriting Agreement (Notes 1, 2 and 3)	
	Number of CAP Shares	Approximate %	Number of Adjusted Shares	Approximate %	Number of Adjusted Shares	Approximate %	Number of Adjusted Shares	Approximate %
<i>Concert Group</i>								
PNG Group	346,192,728	20.08	43,274,091	20.08	389,466,819	20.08	559,466,819	28.84
WOG Group	467,500	0.03	58,437	0.03	58,437	0.003	58,437	0.003
WYT Group	—	—	—	—	—	—	660,000,000	34.03
Sub-total	346,660,228	20.11	43,332,528	20.11	389,525,256	20.08	1,219,525,256	62.87
<i>Other CAP Shareholders</i>								
Kingston (including subscribers procured by it) (Note 4)	—	—	—	—	—	—	547,975,520	28.25
Other public CAP Shareholders	1,377,508,023	79.89	172,188,503	79.89	1,550,164,023	79.92	172,188,503	8.88
Total	1,724,168,251	100.00	215,521,031	100.00	1,939,689,279	100.00	1,939,689,279	100.00

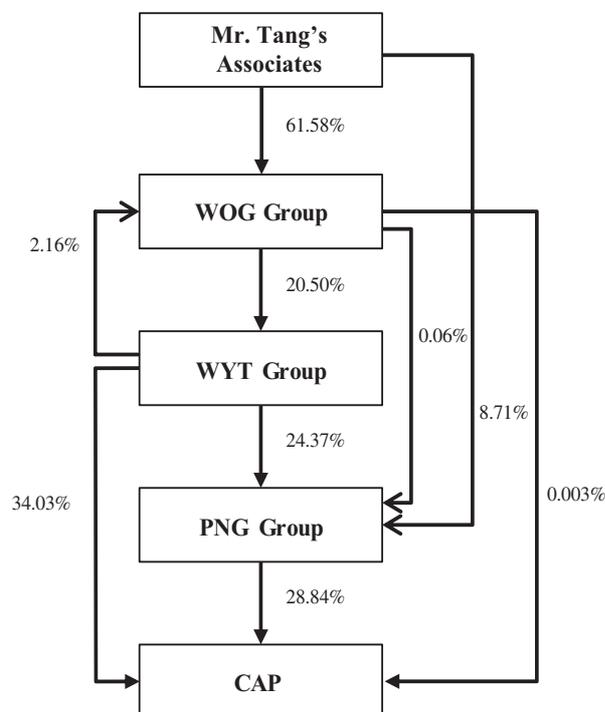
Notes:

1. Assuming all 170,000,000 Rights Shares applied for by Onger Investments by way of excess application pursuant to the PNG Irrevocable Undertaking are allocated to it.
2. This scenario is for illustration purpose only and is unlikely to occur since it assumes that: (i) the CAP Independent Shareholders have voted in favour of the Rights Issue at the CAP SGM, but (ii) no Qualifying Shareholder other than Onger Investments would take up their provisional entitlements under the Rights Issue, which is a complete misalignment between the voting behaviour of the CAP Independent Shareholders and their subscription for Rights Shares.
3. The WOG Group will not subscribe for its provisional allotment of Rights Shares under the Rights Issue.
4. As at the date of this joint announcement, Kingston does not have any sub-underwriting arrangements in place. As and when any subscribers for Rights Shares and/or sub-underwriters are procured by Kingston, Kingston will use its best endeavours to ensure that (i) such subscribers and/or sub-underwriters are Independent Third Parties, and (ii) such sub-underwriters will not hold more than 10.0% of the equity interest in CAP upon completion of the Rights Issue.

The following chart shows the Concert Group's shareholding in CAP as at the date of this joint announcement:



On 31 December 2014, Mailful Investments, a wholly-owned subsidiary of WOG, irrevocably undertook to CAP that it will not subscribe, nor procure its associates to subscribe, for any of its provisional entitlement of Rights Shares under the Rights Issue. The following chart shows the Concert Group's shareholding in CAP immediately after completion of the Rights Issue, assuming all Rights Shares are subscribed by Onger Investments (including by way of excess application) and the Underwriters and the WOG Group do not subscribe for its provisional entitlement of Rights Shares under the Rights Issue, and no other changes to the share capital of CAP in the meantime:



Under the Underwriting Agreement, in the event that Kingston is called upon to subscribe for or procure subscription for the Untaken Shares, Kingston shall use its best endeavours to ensure that (i) each of the subscribers of the Untaken Shares procured by it shall be an Independent Third Party and not acting in concert with any members of the Concert Group, and (ii) the public float requirements under Rule 8.08 of the Listing Rules be fulfilled by CAP upon completion of the Rights Issue. As at the date of this joint announcement, Kingston does not have in place any sub-underwriting arrangements. To the extent that Kingston subsequently enters into any sub-underwriting arrangements, (i) Kingston shall use its best endeavours to ensure that each sub-underwriter is an Independent Third Party and will not hold more than 10.0% of the equity interest and voting rights in CAP upon completion of the Rights Issue, and (ii) a further announcement will be issued by CAP regarding the details of the sub-underwriting arrangement(s).

Underwriting activities are (i) within the ordinary course of Kingston's business activities, and (ii) not within the ordinary course of the WYT Group's business activities.

7. Principal terms of the Underwriting Agreement

- Date** : 23 December 2014
- Parties** : (i) CAP;
(ii) WYT Underwriter;
(iii) WYT; and
(iv) Kingston.
- Total number of Underwritten Shares** : 1,207,975,520 Rights Shares, being the total number of Rights Shares to be issued by CAP minus the maximum aggregate number of Rights Shares to be subscribed and paid for by Onger Investments pursuant to the PNG Irrevocable Undertaking and on the basis that no further CAP Share or Adjusted Share will be issued or repurchased on or before the Record Date.
- Underwriting obligation of each Underwriter** : WYT Underwriter has agreed to underwrite the first 660,000,000 Underwritten Shares (assuming no further CAP Share or Adjusted Share will be issued or repurchased on or before the Record Date). The WYT Underwriter Subscription Amount, rounded down to the nearest HK\$500,000, will be set-off, on a dollar-for-dollar basis, in accordance with the terms of the Underwriting Agreement, against the outstanding aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds.
- To the extent that the WYT Underwriter Subscription Amount exceeds the amount set-off as mentioned above, WYT Underwriter shall pay to CAP such excess in cash.
- Kingston has agreed to fully underwrite, in cash, all remaining Underwritten Shares that have not been taken up by WYT Underwriter, being 547,975,520 Rights Shares.
- No sub-underwriting arrangement will be made by WYT Underwriter.
- Commission** : 2.5% of the aggregate Subscription Price in respect of the respective maximum number of Underwritten Shares agreed to be underwritten by each of the Underwriters, payable to each of the Underwriters. The commission rates were determined after arm's length negotiations between CAP and the Underwriters with reference to, among other things, the scale of the Rights Issue and the market rate, and the CAP Board considers (excluding the independent non-executive CAP Directors whose opinion will be set out in the CAP Circular, after having been advised by the Independent Financial Adviser) that the underwriting commission rate is fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole.

- Conditions** : Please refer to the section headed “5. Conditions of the Rights Issue” in this Part B of this joint announcement.
- Other undertakings** : In consideration of CAP proceeding with the Rights Issue, WYT irrevocably undertakes to CAP that it will procure the due and punctual performance, observance and compliance by the WYT Underwriter of all of its obligations under the Underwriting Agreement.
- Latest Time For Termination** : 4:00 p.m. on the fourth business day after the Latest Time For Acceptance or such later time or date as may be agreed between the Underwriters and CAP in writing, being the latest time to terminate the Underwriting Agreement.
- Termination** : If, prior to the Latest Time For Termination:
- (i) in the absolute opinion of any of the Underwriters, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of any of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the CAP Group as a whole or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not of the same kind or nature with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of any of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the CAP Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
 - (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of any of the Underwriters is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or

- (iii) there is any change in the circumstances of CAP or any member of the CAP Group which in the absolute opinion of any of the Underwriters will adversely affect the prospects of CAP, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the CAP Group or the destruction of any material asset of the CAP Group; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the CAP Group as a whole whether or not of the same kind or nature with any of the foregoing; or
- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of any of the Underwriters, a material omission in the context of the Rights Issue; or
- (vii) any suspension in the trading of securities generally or CAP's securities on the Stock Exchange for a period of more than 10 consecutive business days, excluding any halt or suspension in connection with the clearance of this joint announcement, the CAP Circular, the Prospectus Documents or other announcements or circulars in connection with the Rights Issue; or
- (viii) any moratorium, suspension or material restriction on trading of the CAP Shares or Adjusted Shares on the Stock Exchange due to exceptional financial circumstances or otherwise,

any of the Underwriters may by notice in writing to CAP and the other Underwriter, served prior to the Latest Time For Termination, to terminate the Underwriting Agreement.

Any of the Underwriters may by notice in writing to rescind the Underwriting Agreement if, prior to the Latest Time For Termination:

- (i) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of any of the Underwriters; or
- (ii) any Specified Event comes to the knowledge of any of the Underwriters.

8. Reasons for the Rights Issue

The CAP Group is currently engaged in the management and sales of agricultural produce exchanges in the PRC. The unaudited total value of the CAP Group's investment properties and stock of properties as at 30 June 2014 (as disclosed in the unaudited interim results of CAP for the six months ended 30 June 2014) is approximately HK\$5,706 million and its property portfolio includes a total land reserve of approximately 2.0 million square meters as at 30 June 2014.

The CAP Board is optimistic about the future growth and development of CAP, largely because of the continuing support of the agricultural sector by the PRC government.

The agricultural sector has historically been an important component of China's economy and for the China's Twelfth Five Year Plan (2011-2015), the PRC government aims to enhance the industry based on the national modern agriculture development plan. Under the plan, the PRC government will: (i) establish a mechanism to ensure steady increase in agricultural investment, including the continual increase in investment to boost agricultural production, rural development and farmers' well-being, improving the rural financial services, as well as guiding social resources into agriculture, (ii) strengthen support and protection for agriculture by improving its agricultural reward and subsidy policy and reforming the regulatory mechanism for agricultural markets, and (iii) further liberalise and open-up the PRC's agriculture sector to the outside world by promoting international cooperation in agriculture and enhancing agricultural trade.

Against the backdrop of (i) continued robust growth in the overall PRC economy, (ii) favourable government policy in respect of the agricultural industry (which has led to an increase in property values of and rental income from agricultural produce exchanges), and (iii) optimistic market sentiment, the CAP Board expects that the value of the CAP Group's investments in PRC agricultural produce exchanges will continue to grow, thereby continuing to bring a positive economic return to CAP and the CAP Shareholders as a whole.

In view of the optimistic future prospects of the business of the CAP Group, the Rights Issue will strengthen the capital base of CAP and bolster its ability to capitalise upon greater business opportunities associated with its principal business engagements.

The expenses in relation to the Rights Issue, including financial, legal and other professional advisory fees, underwriting commissions, printing and translation expenses, will be borne by CAP. Having sought financing in various ways such as equity placements, as well as bank and other borrowings, and having considered the costs of such fund-raising alternatives, the CAP Board (excluding the independent non-executive CAP Directors whose opinion will be set out in the CAP Circular, after having been advised by the Independent Financial Adviser) presently considers the Rights Issue as the most commercially viable option for CAP in the prevailing circumstances. This is for the following reasons:

- (i) **benefits of a rights issue** — the Rights Issue affords all CAP Shareholders equal opportunity to subscribe for their pro-rata provisional entitlement of the Rights Shares and hence avoids dilution, and participate as fully as they wish in the growth opportunity of CAP by way of applying for excess Rights Shares. It also allows the Qualifying Shareholders who decide not to take up their entitlements under the Rights Issue to sell the nil-paid Rights Shares in the market for economic benefit. By comparison, had CAP raised equity of similar size in the form of a placing, then such an exercise would not have allowed all CAP Shareholders to participate in the capital exercise and they would be diluted without being given an opportunity to maintain their percentage interests;

- (ii) **costs of other fund-raising alternatives** — as of 30 June 2014, the CAP Group has the following outstanding interest-bearing bank and other borrowings:

Type of Borrowings	Approximate Outstanding Amount <i>(in HK\$ millions)</i>	Interest Rate <i>(% per annum)</i>
Bank loans	791.5	6.4 - 8.4
Related party loans	1,405	10.0 - 12.0
Third party loans	459.8	5.0 - 12.0
Total	<u>2,656.3</u>	

This represented a gearing ratio of approximately 103% as of 30 June 2014, which is calculated by dividing the total outstanding loan amount of approximately HK\$2,656.3 million net of cash and cash equivalents of approximately HK\$473.1 million, by total shareholders' funds in the amount of approximately HK\$2,115.8 million. CAP notes that an issuance of convertible bonds would increase the gearing of CAP without strengthening CAP's equity base until the bond is converted, at which time the existing shareholders of CAP will still suffer a dilution. As for additional bank borrowings, such would further increase CAP's gearing ratio without strengthening its equity base and there is no assurance that such borrowings of this size can be obtained. Please also refer to the section headed "4. Basis of determining the Subscription Price and subscription ratio" in this Part B of this joint announcement for a calculation of the notional interest savings of Rights Issue over borrowings; and

- (iii) **efforts in seeking other financing alternatives** — while CAP has considered, and is still actively searching for, other financing alternatives including equity and debt financing, it is uncertain as to when and on what terms these financing alternatives will be made available. In particular, during the past 12 months, CAP has undertaken (A) separate placements of CAP Shares on 3 September 2014 and 6 November 2014, (B) an issue of unsecured bonds on 28 November 2014 to PNG, WYT and WOG (see below), (C) a placing of unsecured bonds via a medium term note program, (D) a placing of five-year, 7.3% per annum coupon unlisted bonds, and (E) a rights issue. CAP has also approached certain financial institutions and obtained certain loan facilities. Among the options that CAP has considered is a long term bond with an effective interest rate ranging from approximately 10.3% to approximately 11.3% per annum and borrowings from PRC banks and financial institutions with effective interest rates of 6.4% to 8.4%.

On 28 November 2014, PNG, WYT and WOG, through their wholly-owned subsidiaries, subscribed for unsecured bonds newly-issued by CAP, the net proceeds of which were fully applied by CAP towards repayment of outstanding indebtedness of CAP owed to PNG, WYT and WOG, respectively. The details of the bonds are as follows:

Lender	Parent of Lender	Principal amount of subscription (in HK\$ million)	Interest Rate (per annum)	Maturity Date
Double Leads	WOG	200	8.5%	28 November 2016
Investments Limited		330	10.0%	28 November 2019
		530		
Peony Finance Limited	PNG	150	10.0%	28 November 2019
Winning Rich	WYT	720	10.0%	28 November 2019
		<u>1,400</u>		

The Rights Issue will allow CAP to strengthen its capital base and liquidity without incurring interest costs. The Rights Issue will also allow CAP to materially reduce its gearing ratio, thereby improving the financial health of the CAP Group. Taking into account the capital needs of the CAP Group, the benefits of the Rights Issue and the costs of other fund-raising alternatives, the CAP Board (excluding the independent non-executive CAP Directors whose opinion will be set out in the CAP Circular, after having been advised by the Independent Financial Adviser) is of the view that the Rights Issue is in the interests of CAP and the CAP Shareholders as a whole.

To reiterate, the CAP Shareholders' interests are safeguarded by the following: (i) the Rights Issue will be subject to the approval by the CAP Independent Shareholders at the CAP SGM (whereby, among others, members of the Concert Group including Onger Investments, will abstain from voting), and (ii) the CAP Independent Shareholders, before exercising their respective voting rights, will be advised by the Independent Board Committee (comprising all independent non-executive CAP Directors) and the Independent Financial Adviser. Accordingly, the Rights Issue will be subject to the scrutiny of the Independent Financial Adviser and the Independent Board Committee and the decision of the CAP Independent Shareholders. The CAP Independent Shareholders can then make an informed decision as to whether to vote in favour of the Rights Issue on the terms proposed.

However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in CAP will be substantially diluted.

The CAP Directors (excluding the independent non-executive CAP Directors whose opinion will be set out in the CAP Circular, after having been advised by the Independent Financial Adviser), consider that the Rights Issue is fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole having taken into account the terms of the Rights Issue.

9. Use of proceeds of the Rights Issue

A. Application of proceeds

As at 30 November 2014, the CAP Group had an aggregate cash balance of approximately HK\$325.4 million. Taking into account CAP's total borrowings as of 30 June 2014 of approximately HK\$2,656.3 million (with annualised interest expenses of approximately HK\$233.8 million assuming the interest rate of 8.8% per year as mentioned in the section headed "4. Basis of determining the Subscription Price and subscription ratio" in this Part B of this joint announcement) and a gearing ratio of approximately 103% as of 30 June 2014, as well as the capital expenditure needs of CAP, CAP intends to use its existing cash balance to finance its working capital needs.

The Rights Issue is proposed with a view to provide further funding for the CAP Group's business development and expansion of agricultural produce exchanges in the PRC and assisting with the CAP Group's repayment of outstanding and upcoming financial indebtedness. The net proceeds to be raised from the Rights Issue, which are estimated to be approximately HK\$501.7 million (subject to the potential set-off against the outstanding aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds, as outlined in scenarios (ii) and (iii) below of this section headed "9. Use of proceeds of the Rights Issue"), are intended to be applied as follows:

- (i) ***If all the Rights Shares are taken up by Qualifying Shareholders and no Underwriter is required to take up any of the Underwritten Shares:***
- (a) approximately HK\$70 million will be utilised for the payment of construction costs in the PRC;
 - (b) approximately HK\$193 million will be utilised for land acquisition opportunities in the PRC;
 - (c) approximately HK\$178.2 million will be used to repay outstanding and upcoming indebtedness of CAP (see below the subsection headed “C. The Special Deal” of this section headed “9. Use of proceeds of the Rights Issue” for further details); and
 - (d) the remaining balance of approximately HK\$60.5 million will be utilised for general working capital of the CAP Group (the largest components of which will be operating expenses such as rental, marketing and salary expenses).
- (ii) ***If 1,394,168,248 Rights Shares are subscribed by the Qualifying Shareholders and WYT Underwriter is required to take up 330,000,000 Underwritten Shares (i.e. 50% of the Underwritten Shares it has agreed to underwrite under the Underwriting Agreement):***
- (a) the WYT Underwriter Subscription Amount (being approximately HK\$94 million), will be set-off, in accordance with the terms of the Underwriting Agreement, against the outstanding aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds;
 - (b) approximately HK\$70 million will be utilised for the payment of construction costs in the PRC;
 - (c) approximately HK\$99 million will be utilised for land acquisition opportunities in the PRC;
 - (d) approximately HK\$178.2 million will be used to repay outstanding and upcoming indebtedness of CAP (see below the subsection headed “C. The Special Deal” of this section headed “9. Use of proceeds of the Rights Issue” for further details); and
 - (e) the remaining balance of approximately HK\$60.5 million will be utilised for general working capital of the CAP Group (the largest components of which will be operating expenses such as rental, marketing and salary expenses).
- (iii) ***If WYT Underwriter is required to take up all 660,000,000 Underwritten Shares it has agreed to underwrite under the Underwriting Agreement:***
- (a) the WYT Underwriter Subscription Amount (being approximately HK\$193 million), will be set-off, in accordance with the terms of the Underwriting Agreement, against the outstanding aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds;
 - (b) approximately HK\$70 million will be utilised for the payment of construction costs in the PRC;

- (c) approximately HK\$178.2 million will be used to repay outstanding and upcoming indebtedness of CAP (see below the subsection headed “C. The Special Deal” of this section headed “9. Use of proceeds of the Rights Issue” for further details); and
- (d) the remaining balance of approximately HK\$60.5 million will be utilised for general working capital of the CAP Group (the largest components of which will be operating expenses such as rental, marketing and salary expenses).

In other words, the proportion of the aggregate net proceeds from the Rights Issue which is intended to be allocated towards the payment of construction costs, repayment of indebtedness and general working capital will be fixed irrespective of whether WYT Underwriter is required to take up any of the Underwritten Shares that it has agreed to underwrite under the Underwriting Agreement. To the extent that WYT Underwriter is not required to so take up any Underwritten Shares (resulting in a lower proportion of the aggregate net proceeds from the Rights Issue being applied to set-off the aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds), CAP will receive such portion of the aggregate net proceeds from the Rights Issue directly in cash, which is intended to be applied towards the acquisition of land in the PRC in the manner described in this section 9 of Part B of this joint announcement.

Whilst there is no pressing need or urgency for a part of the net proceeds of the Rights Issue to be applied towards the acquisition of land (and hence it is not a fixed component of the intended use of net proceeds from the Rights Issue), the CAP Board is nevertheless continually seeking opportunities to develop the CAP Group’s business, and ongoing strategic land acquisitions to supplement or grow the CAP Group’s existing agricultural produce exchanges are a component of the CAP Group’s overall expansion strategy.

The CAP Board engaged WYT Underwriter as an underwriter for the Rights Issue, for the following reasons:

- (i) while CAP will not directly receive such part of the net proceeds of the Rights Issue in cash to the extent that the WYT Underwriter is required to take up any Underwritten Shares, the WYT Subscription Underwriter Subscription Amount that will be set-off against the aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds will nevertheless reduce the interest expenses payable to Winning Rich in the future, freeing up greater cash for CAP to utilise for other purposes;
- (ii) the WYT Group, through another wholly-owned subsidiary, was an underwriter for the rights issue completed by CAP in March 2014 and was commercially willing to be an underwriter for the Rights Issue on terms acceptable to CAP; and
- (iii) CAP has not approached any other independent underwriters to consider underwriting the Rights Issue other than Kingston, for the reasons outlined in the section headed “4. Basis of determining the Subscription Price and subscription ratio” in Part B of this joint announcement.

B. Allocation of proceeds for repayment of indebtedness

The approximately HK\$178.2 million of the aggregate net proceeds from the Rights Issue intended to be applied by CAP towards the outstanding and upcoming indebtedness of CAP is a commercial decision of CAP that is intended to reduce its gearing ratio and strengthen its equity base, and will be allocated as follows:

- (i) approximately HK\$17.2 million, HK\$19.0 million and HK\$15.2 million will be used to repay in full the outstanding interest due on 31 May 2015 to the WOG Group, the WYT Group and the PNG Group, respectively, pursuant to an interest repayment extension letter dated 28 November 2014 in respect of the past loans provided to CAP which were fully refinanced by the unsecured bonds issued by CAP on 28 November 2014;
- (ii) approximately HK\$25.0 million, HK\$36.0 million and HK\$7.5 million will be used to repay the upcoming interest due on 28 May 2015 to the WOG Group, the WYT Group and the PNG Group, respectively, under the unsecured bonds issued by CAP on 28 November 2014; and
- (iii) approximately HK\$58.3 million will be used to fully repay the outstanding principal and interest expenses due on 30 April 2015 in respect of a loan provided by an Independent Third Party.

C. The Special Deal

The repayment by CAP of indebtedness owed to the WOG Group and the PNG Group (i.e. paragraphs (i) and (ii) only of the subsection headed “B. Allocation of proceeds for repayment of indebtedness” of this section headed “9. Use of proceeds of the Rights Issue”) constitutes a “special deal” under Rule 25 of the Takeovers Code and will be conditional upon obtaining the consent of the Executive under Note 5 to Rule 25 of the Takeovers Code. The Executive will normally consent to the Special Deal provided that: (i) the Independent Financial Adviser publicly states in its opinion that the Special Deal is an arm’s length transaction on normal commercial terms and that its terms are fair and reasonable, and (ii) it is approved by the CAP Independent Shareholders at the CAP SGM by way of poll. An application will be made to the Executive for its consent to the Special Deal pursuant to Note 5 to Rule 25 of the Takeovers Code.

D. Allocation of proceeds for construction and land acquisition

As of the date of this joint announcement, the CAP Group was involved in the construction of agricultural produce exchanges projects in: (i) Kaifeng City, Henan Province, the PRC; (ii) Qinzhou City, Guangxi Province, the PRC, (iii) Panjin City, Liaoning Province, the PRC, (iv) Huai’an City, Jiangsu Province, the PRC, and (v) Luoyang City, Henan Province, the PRC.

Approximately HK\$50.0 million and HK\$20.0 million of the net proceeds from the Rights Issue will be utilised for the payment of construction costs of the development of the Kaifeng City project and the Panjin City project, respectively. The phase one development of the Kaifeng City project was completed in 2014 at the total cost of approximately HK\$422.8 million and phase two of the Kaifeng City project is expected to be completed in April 2015 at the estimated total cost of approximately HK\$76.4 million (of which no payment has yet been made by CAP but commitments have been entered into with contractors as at the date of this joint announcement). The development of the Panjin City project is expected to be completed in July 2015 at the estimated total cost of approximately HK\$198.0 million (of which a total of HK\$109.8 million has been paid by CAP as at the date of this joint announcement). These estimated construction costs are based on the current

configurations of the respective projects and may be subject to (i) further development and expansion of these projects in the future depending on, among others, CAP's ability to acquire further adjacent land, and (ii) unforeseen events beyond the control of CAP. Approximately HK\$141.7 million and HK\$92.2 million from the proceeds of the rights issue in 2013, the placing of medium term notes in May 2014 and placing of new shares in August 2014 were applied towards the construction costs of the phase one development of the Kaifeng City project and the development of the Panjin City project, respectively. Based on CAP's (i) commitments with contractors for phase two of the Kaifeng City project and the Panjin City project, (ii) current estimations of costs to complete those projects, and (iii) past experience on development projects, the CAP Board believes that the allocation of approximately HK\$70.0 million of the net proceeds from the Rights Issue towards the payment of the aforementioned construction costs is both fair and reasonable.

As of the date of this joint announcement, the CAP Group was also involved in negotiations with the relevant governmental authorities with a view to evaluating the opportunities of acquiring land in various PRC cities, including: (i) Changde, (ii) Fuzhou, (iii) Chenzhou, and (iv) Puyang, for the purpose of developing agricultural produce exchanges. As outlined above, where WYT Underwriter is not required to take up all of the Underwritten Shares that it has agreed to underwrite under the Underwriting Agreement, a portion of the aggregate net proceeds from the Rights Issue will be utilised to part-finance the acquisitions of land in one or more of the aforementioned cities. CAP currently estimates that, if it were successful in acquiring all of the aforementioned land which it is currently evaluating, the total acquisition cost would be approximately HK\$621.8 million.

Announcements will be made by the CAP Group in accordance with the Listing Rules as and when necessary when there is a material change in the use of net proceeds from the Rights Issue.

10. Expected timetable for the Rights Issue

Event	Timeline
Expected despatch date of the CAP Circular with notice of the CAP SGM	29 January 2015, Thursday
Latest time for lodging proxy forms for the CAP SGM	10:00 a.m. on 22 February 2015, Sunday
Expected date and time of the CAP SGM	10:00 a.m. on 24 February 2015, Tuesday
Announcement of results of the CAP SGM	24 February 2015, Tuesday
Effective date and time of the Capital Reorganisation	9:00 a.m. on 25 February 2015, Wednesday
Commencement of dealings in the Adjusted Shares	9:00 a.m. on 25 February 2015, Wednesday

Original counter for trading in CAP Shares in existing share certificates in board lots of 4,000 CAP Shares temporarily closes	9:00 a.m. on 25 February 2015, Wednesday
Temporary counter for trading in Adjusted Shares in board lots of 500 Adjusted Shares (in the form of existing share certificates) opens	9:00 a.m. on 25 February 2015, Wednesday
First day of free exchange of existing certificates for the CAP Shares into new certificates for the Adjusted Shares	25 February 2015, Wednesday
Last day of dealings in Adjusted Shares on a cum-rights basis	27 February 2015, Friday
First day of dealings in Adjusted Shares on an ex-rights basis	2 March 2015, Monday
Latest time for the CAP Shareholders to lodge transfer of Adjusted Shares in order to qualify for the Rights Issue	4:30 p.m. on 3 March 2015, Tuesday
Closure of register of members of CAP (both dates inclusive)	4 March 2015, Wednesday to 9 March 2015, Monday
Record Date and time for determining entitlements to the Rights Issue	4:00 p.m. on 9 March 2015, Monday
Register of members of CAP re-opens	10 March 2015, Tuesday
Despatch of Prospectus Documents	10 March 2015, Tuesday
Designated broker starts to stand in the market to provide matching service for the sale and purchase of odd lots of Adjusted Shares	9:00 a.m. on 11 March 2015, Wednesday
Original counter for trading in the Adjusted Shares in board lots of 5,000 Adjusted Shares (in the form of new certificates) re-opens	9:00 a.m. on 11 March 2015, Wednesday
Parallel trading in Adjusted Shares (in the form of both existing certificates in board lots of 500 Adjusted Shares and new certificates in board lots of 5,000 Adjusted Shares) commences	9:00 a.m. on 11 March 2015, Wednesday

First day of dealings in nil-paid Rights Shares	12 March 2015, Thursday
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on 16 March 2015, Monday
Last day of dealings in nil-paid Rights Shares	19 March 2015, Thursday
Latest time for acceptance of, and payment for, the Rights Shares and the applications for excess Rights Shares	4:00 p.m. on 24 March 2015, Tuesday
Latest time to terminate the Underwriting Agreement and for the Rights Issue to become unconditional	4:00 p.m. on 30 March 2015, Monday
Announcement of results of the Rights Issue	31 March 2015, Tuesday
Temporary counter for trading in Adjusted Shares in board lots of 500 Adjusted Shares (in the form of existing certificates) closes	4:00 p.m. on 31 March 2015, Tuesday
Parallel trading in the Adjusted Shares (represented by both existing certificates in board lots of 500 Adjusted Shares and new certificates in board lots of 5,000 Adjusted Shares) ends	4:00 p.m. on 31 March 2015, Tuesday
Refund cheques to be despatched in relation to wholly or partially unsuccessful applications for excess Rights Shares on or before	1 April 2015, Wednesday
Certificates for fully paid Rights Shares to be despatched on or before	1 April 2015, Wednesday
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on 2 April 2015, Thursday
Last day of free exchange of existing certificates for the new certificates	2 April 2015, Thursday
Designated broker ceases to stand in the market to provide matching service	4:00 p.m. on 15 April 2015, Wednesday

Note: All references to time in this joint announcement are references to Hong Kong time.

Dates or deadlines specified in this joint announcement are indicative only and may be varied by agreement between CAP and the Underwriters. Any consequential changes to the expected timetable will be published or notified to the CAP Shareholders as and when appropriate.

11. Qualifying Shareholders

To qualify for the Rights Issue, a CAP Shareholder must be registered as a member of CAP and not being an Excluded Shareholder on the Record Date. In order to be registered as members of CAP on the Record Date, all transfers of the CAP Shares must be lodged (together with the relevant share certificate(s)) with the Registrar by 4:30 p.m. (Hong Kong time) on Tuesday, 3 March 2015 at the following address:

Tricor Investor Services Limited at
Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong

CAP will send the Prospectus Documents to the Qualifying Shareholders, and will send the Prospectus (without the PAL(s) and EAF(s)), for information purposes only, to the Excluded Shareholders on the Prospectus Posting Date.

CAP will ascertain whether there are any Overseas Shareholders on the Record Date. In determining whether there will be Excluded Shareholders, CAP will make enquiry regarding the legal restrictions (if any) under the laws of the relevant places and the requirements of the relevant regulatory bodies or stock exchanges in relation to CAP's offering of the Rights Shares to the Overseas Shareholders in compliance with the Listing Rules.

12. Rights of the Excluded Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

In compliance with the necessary requirements of the Listing Rules, CAP will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any). If, based on legal advice, the CAP Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Rights Issue will not be available to such Overseas Shareholders. Further information in this connection will be set out in the Prospectus Documents containing, among other things, details of the Rights Issue, to be despatched to the Qualifying Shareholders on the Prospectus Posting Date.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid form commence and before dealings in the Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be retained for the benefit of CAP. Any unsold entitlement of the Excluded Shareholders to the Rights Shares, and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise subscribed for by transferees of the nil-paid Rights Shares, will be made available for excess applications by the Qualifying Shareholders.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the CAP Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, the Overseas Shareholders should exercise caution when dealing in the CAP Shares.

13. Application for excess Rights Shares

Qualifying Shareholders are entitled to apply for any unsold entitlements of the Excluded Shareholders and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders (or the transferees to whom any Qualifying Shareholders have transferred their provisional entitlements). Application may be made by completing the EAF(s) and lodging the same with a separate remittance for the excess Rights Shares no later than the Latest Time For Acceptance. The CAP Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis and on a pro-rata basis to the excess Rights Shares applied for by the Qualifying Shareholders. However, no preference will be given to topping-up odd lots to whole board lots.

Beneficial owners of CAP Shares whose shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the CAP Board will regard the nominee company as a single CAP Shareholder according to the register of members of CAP. Accordingly, the beneficial owners of CAP Shares whose shares are registered in name of nominee companies should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually.

For those beneficial owners of CAP Shares whose CAP Shares are held by their nominee(s) (including HKSCC Nominees Limited) and who would like to have their names registered on the register of members of CAP, they must lodge all necessary documents with the Registrar for completion of the relevant registration not later than 4:30 p.m. on Tuesday, 3 March 2015.

14. Arrangements for trading of odd lots

In order to facilitate the trading of odd lots (if any) of the Adjusted Shares arising from the Rights Issue, the appointment of the designated broker for matching the purchase and sale of odd lots of the Adjusted Shares at the relevant market price per Adjusted Share has been arranged for a period such that the matching period commences from 9:00 a.m. on Wednesday, 11 March 2015 to 4:00 p.m. on Wednesday, 15 April 2015 (both dates inclusive). Holders of odd lots of the Adjusted Shares should note that successful matching of the sale and purchase of odd lots of the Adjusted Shares is not guaranteed. Any CAP Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. Details of the matching service will be provided in the CAP Circular.

15. Closure of register of members

The register of members of CAP will be closed from Wednesday, 4 March 2015 to Monday, 9 March 2015 (both dates inclusive). No transfer of CAP Shares will be registered during this period.

16. Status of the Rights Shares

The Rights Shares (when allotted, fully paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves and with the Adjusted Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares. Dealings in the Rights Shares will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

17. Certificates of the Rights Shares

Subject to fulfillment of the conditions of the Rights Issue, share certificates for the Rights Shares are expected to be sent on or before Wednesday, 1 April 2015 to those entitled thereto by ordinary post at their own risks. Share certificates will be issued for the fully-paid Rights Shares.

18. Refund cheques for the Rights Issue

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Wednesday, 1 April 2015 by ordinary post to the applicants at their own risk.

19. Fractions of the Rights Shares

On the basis of provisional allotment of eight (8) Adjusted Shares for every one (1) Adjusted Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

20. Application for listing

CAP will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. No part of the securities of CAP is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in each of their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements will be made to enable the Rights Shares (in both their nil-paid and fully-paid forms) to be admitted into CCASS.

Dealings in the Rights Shares in both nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

21. Warning of the risks of dealings in CAP Shares, CAP's 1 per cent notes due 2024 (Stock Code: 5755), Adjusted Shares and/or Rights Shares in nil-paid form

The Rights Issue is conditional upon the fulfillment of the conditions set out in the section headed "5. Conditions of the Rights Issue" in this Part B of this joint announcement. In particular, the Rights Issue is conditional, among others, upon:

- (i) the Listing Committee of the Stock Exchange granting and not having withdrawn or revoked the listing of, and the permission to deal in, the Adjusted Shares and the Rights Shares (in both nil-paid and fully-paid forms) by no later than the first day of their dealings, which is expected to be Monday, 2 March 2015 and Thursday, 12 March 2015 respectively; and**
- (ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and the Underwriting Agreement not being terminated in accordance with its terms (as set out in the section headed "7. Principal terms of the Underwriting Agreement" in this Part B of this joint announcement).**

If the conditions of the Rights Issue is not fulfilled or if the Underwriters exercise their right to terminate the Underwriting Agreement pursuant to the terms therein, the Rights Issue will not proceed.

Any persons contemplating buying or selling CAP Shares or Adjusted Shares (as the case may be) from the date of this joint announcement up to the date on which all the conditions of the Rights Issue is fulfilled, and any dealings in the Rights Shares in their nil-paid form between Thursday, 12 March 2015 and Thursday, 19 March 2015 (both dates inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed.

Any CAP Shareholders and potential investors contemplating dealing in CAP Shares, CAP's 1 per cent notes due 2024 (Stock Code: 5755), the Adjusted Shares and/or nil-paid Rights Shares are recommended to consult their own professional advisers.

22. Previous fund-raising exercises in the prior 12-month period

Save as disclosed below, CAP has not conducted any other fund-raising activities in the past 12 months before the date of this joint announcement:

Date of announcement	Date of completion	Fund raising activity	Net proceeds raised	Proposed use of the proceeds	Actual use of the proceeds
19 November 2014	Not yet completed as of the date of this joint announcement	Placing of five-year 7.3% per annum coupon unlisted bonds to be issued by CAP in an aggregate gross principal amount of up to HK\$300.0 million	As of the date of this joint announcement, HK\$10.0 million bonds had been issued with net proceeds of approximately HK\$6.8 million (after prepayment of interest expenses of the bonds in the placing period and the first four years, and deduction of 50% of the agreed placing fees in accordance with the terms of the bonds and the agreement with the placing agent) being raised. A further approximately HK\$1.0 million (i.e. the remaining interest expenses and agreed placing fees) will be payable by CAP in February 2019.	(a) Approximately HK\$98.0 million would be utilised for prepayment of interest expenses of the bonds in the placing period and the first four years, and deduction of placing fees and expenses; (b) Approximately HK\$192.0 million would be utilised for future development of existing projects, procurement of further land by the CAP Group; and (c) Approximately HK\$10.0 million would be utilised for general working capital of the CAP Group.	It is intended that the proceeds will be used for the proposed purposes, but the precise allocation will depend on the final amount raised upon completion of the placing.

Note:

The Rights Issue is being conducted close to this placing of bonds, as CAP may not be able to receive the full aggregate gross principal amount of HK\$300.0 million sought to be raised by this placing, given that only HK\$10.0 million worth of bonds have been issued as at the date of this joint announcement.

Date of announcement	Date of completion	Fund raising activity	Net proceeds raised	Proposed use of the proceeds	Actual use of the proceeds
24 October 2014	6 November 2014	Placing of new shares under the refreshed general mandate	Approximately HK\$57.5 million	<p>(a) Approximately HK\$5.0 million would be utilised for the repayment of debts;</p> <p>(b) Approximately HK\$35.0 million would be utilised for the fees and expenses incurred in connection with the issue of bonds; and</p> <p>(c) The remaining balance of approximately HK\$17.5 million would be utilised for the general working capital of the CAP Group.</p>	<p>(a) Approximately HK\$5.0 million was utilised for the repayment of debts;</p> <p>(b) Approximately HK\$35.0 million was utilised for the payment of the fees and expenses incurred in the issue of the bonds;</p> <p>(c) Approximately HK\$13.5 million was utilised as general working capital of the CAP Group; and</p> <p>(d) The remaining balance of approximately HK\$4.0 million would be utilised as general working capital of the CAP Group as intended.</p>
4 October 2014	28 November 2014	<p>Placing of (i) two-year 8.5% coupon bonds with an aggregate principal amount of HK\$200 million, and (ii) five-year 10.0% coupon bonds with an aggregate principal amount of HK\$1,200 million.</p> <p>The subscribers of these bonds are wholly-owned subsidiaries of WOG, WYT and PNG. See the section headed “8. Reasons for the Rights Issue” in Part B of this joint announcement for further details about these bonds.</p>	Approximately HK\$1,354 million (after deduction of the placing fees and expenses)	<p>(a) Refinancing existing indebtedness of CAP owed to the subscribers of these bonds.</p>	<p>(a) Fully applied towards full repayment of outstanding principal amounts owned by CAP pursuant to past loans provided by the subscribers of these two bonds as intended.</p>

Date of announcement	Date of completion	Fund raising activity	Net proceeds raised	Proposed use of the proceeds	Actual use of the proceeds
22 August 2014	3 September 2014	Placing of new shares under the general mandate	Approximately HK\$80.0 million	<p>(a) Approximately HK\$50.0 million would be utilised for the future development of existing/new agricultural produce exchange; and</p> <p>(b) The remaining balance of approximately HK\$30.0 million would be utilised for the general working capital of the CAP Group.</p>	<p>(a) Approximately HK\$27.7 million was utilised for the payment of construction costs for the Qinzhou City project, the Panjin City project and phase one of the Kaifeng City project;</p> <p>(b) Approximately HK\$22.3 million was advanced to the Chenzhou City Beihu Government for land acquisition of a possible development project; and</p> <p>(c) Approximately HK\$30.0 million was utilised for the general working capital of the CAP Group as intended.</p>
19 May 2014	30 September 2014	Placing of medium term notes in an aggregate principal amount up to HK\$1 billion maturing on 30 September 2024	As of the date of this joint announcement, HK\$400 million medium term notes had been issued, with net proceeds of approximately HK\$147.2 million (after prepayment of interest and deduction of placing fees) being raised	(a) For future development of existing projects, procurement of further land by the CAP Group	<p>(a) Approximately HK\$56.8 million was utilised for the construction costs of Qinzhou City project;</p> <p>(b) Approximately HK\$10.4 million was utilised for the construction cost for phase one of the Kaifeng City project;</p> <p>(c) Approximately HK\$19.7 million was utilised for the construction costs for the Panjin City project;</p> <p>(d) Approximately HK\$24.1 million was utilised for acquisition of land in the Huai'an City project;</p> <p>(e) Approximately HK\$13.9 million was advanced to the Chenzhou City Beihu Government for land acquisition of a possible development project; and</p> <p>(f) Approximately HK\$12.6 million was utilised for development cost in the Puyang City project; and the remaining balance of approximately HK\$9.7 million will be utilised as intended.</p>

Date of announcement	Date of completion	Fund raising activity	Net proceeds raised	Proposed use of the proceeds	Actual use of the proceeds
19 December 2013	21 March 2014	Rights issue	Approximately HK\$495.5 million	<p>(a) Approximately HK\$450 million would be utilized for the development of existing and future agricultural produce exchange projects, of which (i) approximately HK\$130 million would be utilised for acquisitions of land in the PRC; and (ii) approximately HK\$320 million would be utilised for the payments of construction costs of agricultural produce exchanges in the PRC, of which (1) approximately HK\$130 million was intended for phase one of the Kaifeng City project; (2) approximately HK\$55.0 million was intended for the Qinzhou City project; (3) approximately HK\$70.0 million was intended for the Huai'an City project; and (4) approximately HK\$65.0 million was intended for the Panjin City project; and</p> <p>(b) The remaining balance of approximately HK\$45.5 million as the general working capital of the CAP Group.</p>	<p>(a)(i) Approximately HK\$130 million had been utilised for acquisitions of land in the PRC;</p> <p>(a)(ii)(1) Approximately HK\$130 million had been utilised for the payment of the construction costs for phase one of the Kaifeng City project;</p> <p>(a)(ii)(2) Approximately HK\$55.0 million had been utilised for the payment of the construction costs for the Qinzhou City project;</p> <p>(a)(ii)(3) Approximately HK\$19.8 million had been utilised, and approximately HK\$39.3 million had been earmarked for the construction costs of the Huai'an City project, and approximately HK\$10.9 million will be utilised generally for this project;</p> <p>(a)(ii)(4) Approximately HK\$65.0 million had been utilised for the payment of the construction costs for the Panjin City project; and</p> <p>(b) Approximately HK\$45.5 million had been applied as the general working capital of the CAP Group as intended.</p>

23. Implications under the Listing Rules

As the Rights Issue will result in an increase in CAP's issued share capital by more than 50%, the Rights Issue is subject to, among other things, the approval by the CAP Independent Shareholders at the CAP SGM. Pursuant to Rule 7.19(6) of the Listing Rules, any CAP controlling shareholder and their associates, or where there is no such CAP controlling shareholder, the CAP Directors (excluding the independent non-executive CAP Directors), the chief executive of CAP and their respective associates will need to abstain from voting in favour of the resolution relating to the Rights Issue. As at the date of this joint announcement, there is no CAP controlling shareholder.

Please refer to the section headed "1. CAP Circular; CAP SGM; and Despatch of the Prospectus Documents" in Part F of this joint announcement.

CAP has established the Independent Board Committee to advise the CAP Independent Shareholders as to (i) whether the Rights Issue (including the Underwriting Agreement), the Special Deal and the Whitewash Waiver are fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole, and (ii) voting by the CAP Independent Shareholders, taking into account the recommendations of the Independent Financial Adviser. In this connection, CAP has appointed, and the Independent Board Committee has approved the appointment of, Beijing Securities Limited as the Independent Financial Adviser to advise the Independent Board Committee and the CAP Independent Shareholders as to (i) whether the terms of the Rights Issue (including the Underwriting Agreement), the Special Deal and the Whitewash Waiver are fair and reasonable, and (ii) voting by the CAP Independent Shareholders.

PART C: MAJOR TRANSACTION OF PNG

IRREVOCABLE UNDERTAKING TO SUBSCRIBE FOR THE RIGHTS SHARES BY THE PNG GROUP

1. The PNG Irrevocable Undertaking

As at the date of this joint announcement, PNG, through its wholly-owned subsidiary, Onger Investments, is interested in 346,192,728 CAP Shares, representing approximately 20.08% of the issued share capital of CAP.

On 23 December 2014, Onger Investments has granted the PNG Irrevocable Undertaking in favour of CAP under which it agreed, among other things:

- (i) to subscribe, or procure its associates to subscribe, for 346,192,728 Rights Shares which comprise the full acceptance of its provisional entitlements;
- (ii) that the CAP Shares or the Adjusted Shares (as the case may be) comprising its current shareholding in CAP will remain beneficially owned by it on the Record Date;
- (iii) to procure that its acceptance of the 346,192,728 Rights Shares which will be provisionally allotted to it nil-paid under the Rights Issue be lodged with the Registrar, with payment in full therefor, by no later than 4:00 p.m. at the Latest Time For Acceptance or otherwise in accordance with the instructions printed on the PAL(s);
- (iv) to apply, or procure its associates to apply, by way of excess application, for 170,000,000 Rights Shares; and

- (v) to procure that the EAF(s) for 170,000,000 Rights Shares be lodged with the Registrar, with payment in full therefor, by no later than 4:00 p.m. at the Latest Time For Acceptance or otherwise in accordance with the instructions printed on the EAF(s).

Completion of the transactions under the PNG Irrevocable Undertaking is conditional upon:

- (i) the passing of the necessary resolution(s) by the PNG Shareholders at the PNG SGM to approve, among others, the subscription for 346,192,728 Rights Shares comprising the Onger Investments' provisional entitlement under the Rights Issue and the application for an additional 170,000,000 Rights Shares by way of excess application under the Rights Issue pursuant to the PNG Irrevocable Undertaking; and
- (ii) the conditions for the Capital Reorganisation and the Rights Issue (other than condition (ix) referred to in the section headed "5. Conditions of the Rights Issue" in Part B of this joint announcement) having been fulfilled.

2. Financial impact on PNG of the PNG Irrevocable Undertaking

Assuming:

- (i) Onger Investments subscribes for its provisional entitlement under the Rights Issue in full in accordance with the terms of the PNG Irrevocable Undertaking;
- (ii) none of the Qualifying Shareholders (other than Onger Investments) or the transferees to whom any Qualifying Shareholders has transferred their provisional entitlements take up the Rights Shares to which they are entitled by the Latest Time For Acceptance or otherwise in accordance with the instructions set out on the PAL(s); and
- (iii) Onger Investments receives in full the 170,000,000 Rights Shares for which it will have made an excess application pursuant to the terms of the PNG Irrevocable Undertaking,

the direct interests of the PNG Group in the share capital of CAP immediately upon completion of the Rights Issue will increase from approximately 20.08% to approximately 28.84%.

Upon completion of the Rights Issue, assuming Onger Investments subscribes for its provisional entitlement under the Rights Issue in full in accordance with the terms of the PNG Irrevocable Undertaking:

- (i) but receives none of the 170,000,000 Rights Shares for which it will have made an excess application pursuant to the terms of the PNG Irrevocable Undertaking, the PNG Group could potentially record a loss of approximately HK\$3.1 million (before deduction of the relevant expenses incurred thereon; or
- (ii) receives in full the 170,000,000 Rights Shares for which it will have made an excess application pursuant to the terms of the PNG Irrevocable Undertaking, the PNG Group could potentially record a net gain (taking into account the potential loss of HK\$3.1 million arising from the subscription for provisional entitlement) of approximately HK\$144.4 million (before deduction of necessary reasonable expenses), which is calculated:
 - (a) on the basis of the unaudited total equity attributable to owners of CAP of approximately HK\$1,625.7 million for the six-month period ended 30 June 2014;

- (b) by reference to the placing of CAP Shares completed in September 2014 which generated net proceeds of approximately HK\$80.0 million;
- (c) by reference to the placing of CAP Shares completed in November 2014 which generated net proceeds of approximately HK\$57.5 million; and
- (d) by reference to the Rights Issue which is expected to generate net proceeds of approximately HK\$501.7 million.

Such potential gain is estimated based on currently available information and is subject to the review by auditors and to CAP's financial position as at the date of completion of the Rights Issue.

Based on the assumptions set out in this section, Onger Investments will pay a maximum aggregate amount of approximately HK\$154.9 million to subscribe in full for its provisional entitlement and for the 170,000,000 Rights Shares for which it will have made an excess application under the Rights Issue pursuant to the PNG Irrevocable Undertaking. The consideration will be fully satisfied in cash and will be financed entirely by the internal resources of the PNG Group.

3. Reasons for the PNG Irrevocable Undertaking

Based on the following reasons, the PNG Directors consider the terms of the PNG Irrevocable Undertaking are fair and reasonable and believe that the subscription of Rights Shares (including by way of excess application) pursuant to the PNG Irrevocable Undertaking is in the best interests of PNG and the PNG Shareholders as a whole:

- (i) **CAP's future development in the PRC agricultural produce exchanges:** The PNG Board is optimistic about the future prospect of CAP for the reasons given by the CAP Board as mentioned under the section headed "8. Reasons for the Rights Issue" in Part B of this joint announcement.
- (ii) **Subscription of Rights Shares:** On the basis that, in addition to the Rights Shares to which Onger Investments is provisionally entitled under the Rights Issue, it will receive in full the 170,000,000 Rights Shares for which it will have made an excess application pursuant to the PNG Irrevocable Undertaking, the PNG Group will have direct maximum shareholding interest of up to approximately 28.84% in CAP upon completion of the Rights Issue, and remain the single largest shareholder of CAP. On such basis, the PNG Group will retain significant influence over CAP's management, including participation in the financial and operation decisions in CAP.
- (iii) **Subscription Price:** Given that the Subscription Price represents: (a) a discount of approximately 82.48% to the adjusted closing price of HK\$1.712 per Adjusted Share, based on the closing price of HK\$0.214 per CAP Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation, (b) a discount of approximately 34.35% to the theoretical ex-entitlement price of approximately HK\$0.457 per Adjusted Share after the Rights Issue, based on the closing price of HK\$0.214 per CAP Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation, (c) a significant discount of approximately 96.33% to the unaudited total equity attributable to the owners of CAP per Adjusted Share of approximately HK\$8.18 as at 30 June 2014 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$80.0 million and approximately HK\$57.5 million from the separate placements of CAP Shares completed in September 2014 and November 2014, respectively, the PNG Board considers the Subscription Price to be attractive and that the Rights Issue is a valuable opportunity for the PNG Group to increase its shareholding in

CAP, and (d) a deep discount of the subscription price of HK\$0.30 against the unaudited total equity attributable to the owners of CAP of approximately HK\$1.17 per Adjusted Share upon the completion of the Rights Issue which is based on the net asset value as at 30 June 2014 having considered the net proceeds from the separate placements of CAP Shares completed in September 2014 and November 2014, and the net proceeds from the Rights Issue.

- (iv) **Participation in CAP's growth:** The PNG Board believes that the Rights Issue will strengthen the capital base of CAP so that CAP will be in a position to capture more business opportunities associated with its principal business engagements ahead. In addition, the PNG Irrevocable Undertaking is given in order to support and maintain the value of the PNG Group's investment in CAP and the excess application to be made thereunder to increase its shareholding in CAP will provide the PNG Group an opportunity to participate in additional future returns of CAP.
- (v) **Potential gain:** Upon completion of the Rights Issue, the PNG Group could potentially record a net gain of approximately HK\$144.4 million (before deduction of necessary reasonable expenses) in the circumstances mentioned under the section headed "2. Financial impact on PNG of the PNG Irrevocable Undertaking" in this Part C of this joint announcement.

The following information is extracted respectively from the unaudited interim results of CAP for the six months ended 30 June 2014 and the audited financial statements of CAP for the two financial years ended 31 December 2013 and 2012:

	For the six months ended 30 June 2014 (Unaudited) (HK\$'000)	For the financial year ended 31 December 2013 (Audited) (HK\$'000)	For the financial year ended 31 December 2012 (Audited) (HK\$'000)
Revenue	150,947	408,544	287,482
Profit before taxation	117,781	419,176	351,972
Profit for the period/year	46,166	220,719	216,484

4. Implications under the Listing Rules

As the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the subscription in full for Onger Investments' provisional entitlement and the application for 170,000,000 Rights Shares by way of excess application under the Rights Issue pursuant to the PNG Irrevocable Undertaking exceeds 25% but is less than 100%, the transactions constitute a major transaction for PNG under Chapter 14 of the Listing Rules and are subject to the notification, publication and shareholders' approval requirements under the Listing Rules.

Please refer to the section headed "2. PNG Circular and PNG SGM" in Part F of this joint announcement.

PART D: MAJOR TRANSACTION OF WYT

UNDERWRITING BY WYT UNDERWRITER OF THE UNDERWRITTEN SHARES UNDER THE UNDERWRITING AGREEMENT

1. The Underwriting Agreement

On 23 December 2014, WYT Underwriter entered into, amongst others, the Underwriting Agreement pursuant to which WYT Underwriter agreed to underwrite 660,000,000 Underwritten Shares. Please refer to the section headed “7. Principal terms of the Underwriting Agreement” in Part B of this joint announcement.

2. Financial impact on WYT of the Underwriting Agreement

Assuming:

- (i) none of the Qualifying Shareholders (other than Onger Investments) or the transferees to whom any Qualifying Shareholders have transferred their provisional entitlements take up the Rights Shares to which they are entitled by the Latest Time For Acceptance or otherwise in accordance with the instructions printed on the PAL(s);
- (ii) Onger Investments receives in full the 170,000,000 Rights Shares for the excess application pursuant to the PNG Irrevocable Undertaking; and
- (iii) WYT Underwriter takes up 660,000,000 Rights Shares pursuant to the Underwriting Agreement,

the direct interests of the WYT Group in the issued share capital of CAP immediately upon completion of the Rights Issue will increase from nil to approximately 34.03%. In such circumstances, CAP will become an associate of the WYT Group and the WYT Group’s investment in CAP will be recorded in the consolidated financial statements of the WYT Group using the equity method of accounting in accordance with Hong Kong Accounting Standard 28 “Investment in Associates”. The shareholding interest in CAP will be classified as “investment in an associate” on the WYT Group’s consolidated statement of financial position, and any post-acquisition results and reserves of CAP attributable to the WYT Group will be included in profit or loss and other comprehensive income, respectively, in the consolidated statement of profit or loss and other comprehensive income of the WYT Group.

Upon completion of the Rights Issue:

- (i) assuming WYT Underwriter is not required to take up any of the 660,000,000 Rights Shares for which it has agreed to underwrite under the Underwriting Agreement, the WYT Group would record a gain from the commission of approximately HK\$5.0 million received under the Underwriting Agreement;
- (ii) assuming WYT Underwriter is required to take up all of the 660,000,000 Rights Shares for which it has agreed to underwrite under the Underwriting Agreement, the WYT Group could potentially record a net gain of approximately HK\$577.6 million (before deduction of necessary reasonable expenses), which is calculated:
 - (a) on the basis of the unaudited total equity attributable to owners of CAP of approximately HK\$1,625.7 million for the six-month period ended 30 June 2014;

- (b) by reference to the placing of CAP Shares completed in September 2014 which generated net proceeds of approximately HK\$80.0 million;
- (c) by reference to the placing of CAP Shares completed in November 2014 which generated net proceeds of approximately HK\$57.5 million;
- (d) by reference to the Rights Issue which is expected to generate net proceeds of approximately HK\$501.7 million; and
- (e) by including the commission of approximately HK\$5.0 million received under the Underwriting Agreement.

Such a potential gain is subject to the review by auditors and to CAP's financial position as at the date of completion of the Rights Issue. If the direct interests of the WYT Group in the issued share capital of CAP immediately upon completion of the Rights Issue falls below 20%, the WYT Group's investment in CAP will be accounted for as an available-for-sale investment which will be measured at fair value at each period end date with unrealised gains or losses recognised as other comprehensive income through the available-for-sale investment revaluation reserve until the investment is derecognised or impaired.

Based on the assumptions set out in this section, WYT Underwriter will pay a maximum amount of HK\$198.0 million as the aggregate Subscription Price to subscribe for up to 660,000,000 Rights Shares pursuant to the Underwriting Agreement. The aggregate Subscription Price payable for those Rights Shares, less approximately HK\$5.0 million commission payable by CAP to WYT Underwriter under the Underwriting Agreement, will be set-off, in accordance with the terms of the Underwriting Agreement, against the outstanding aggregate principal amount owing by CAP to Winning Rich under the 2019 CAP Bonds.

3. Reasons for underwriting the Underwritten Shares under the Underwriting Agreement

In light of the reasons set out in the section headed "8. Reasons for the Rights Issue" in Part B of this joint announcement, the WYT Board believes that it is in the interests of CAP to implement the Rights Issue with a view to strengthening the capital base of CAP so that CAP will be in a position to capture more business opportunities associated with its principal business engagements ahead. The underwriting of the Underwritten Shares may provide the WYT Group an opportunity to enjoy future return of CAP and will ensure that the Rights Shares are fully subscribed for.

The WYT Board also considers the Subscription Price to be attractive in that it represents:

- (i) a discount of approximately 82.48% to the adjusted closing price of HK\$1.712 per Adjusted Share, based on the closing price of HK\$0.214 per CAP Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation;
- (ii) a discount of approximately 34.35% to the theoretical ex-entitlement price of approximately HK\$0.457 per Adjusted Share after the Rights Issue, based on the closing price of HK\$0.214 per CAP Share as quoted on the Stock Exchange on the Last Trading Day and adjusted for the effect of the Capital Reorganisation;

- (iii) a significant discount of approximately 96.33% to the unaudited total equity attributable to the owners of CAP per Adjusted Share of approximately HK\$8.18 as at 30 June 2014 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$80.0 million and approximately HK\$57.5 million from the separate placements of CAP Shares completed in September 2014 and November 2014, respectively; and
- (iv) a deep discount of the subscription price of HK\$0.30 against the unaudited total equity attributable to the owners of CAP of approximately HK\$1.17 per Adjusted Share upon the completion of the Rights Issue which is based on the net asset value as at 30 June 2014 having considered the net proceeds from the separate placements of CAP Shares completed in September and November 2014, and the net proceeds from the Rights Issue.

Taking into consideration the above reasons, the WYT Board considers that (i) the Rights Issue presents a valuable investment opportunity for the WYT Group, (ii) the terms of the Underwriting Agreement are fair and reasonable, and (iii) the underwriting by WYT Underwriter of the Underwritten Shares pursuant to the Underwriting Agreement is in the interests of WYT and the WYT Shareholders as a whole.

4. Implications under the Listing Rules

The applicable percentage ratio(s) in respect of the underwriting by WYT Underwriter of 660,000,000 Rights Shares under the Underwriting Agreement exceeds 25% but is less than 100%, the underwriting by WYT Underwriter therefore constitutes a major transaction for WYT under Chapter 14 of the Listing Rules. It is subject to the notification, publication and shareholders' approval requirements under the Listing Rules.

Please refer to the section headed "3. WYT Circular and WYT SGM" in Part F of this joint announcement.

5. Possible continuing connected transactions

As of the date of this joint announcement, WYT: (i) through its wholly-owned subsidiary, held approximately 24.37% interest in PNG which, through its wholly-owned subsidiary, held approximately 20.08% interest in CAP, and (ii) is not a connected person of CAP.

On the basis that WYT Underwriter takes up 660,000,000 Rights Shares pursuant to the Underwriting Agreement, upon completion of the Rights Issue, the WYT Group will be interested in 660,000,000 Adjusted Shares, representing approximately 34.03% interest in CAP. On such basis, WYT will become a substantial shareholder and a connected person of CAP, and the ongoing transactions between the WYT Group and the CAP Group will constitute continuing connected transactions of CAP. Details of such possible continuing connected transactions will be announced by CAP as and when appropriate.

PART E: APPLICATION FOR WHITEWASH WAIVER UNDER THE TAKEOVERS CODE AND FURTHER INFORMATION ON THE CONCERT GROUP

1. Application for the Whitewash Waiver

The Concert Group currently includes Mr. Tang's Associates, WOG, WYT and PNG and parties acting in concert with any one of them, including their respective subsidiaries (including WYT Underwriter and Onger Investments). As at the date of this joint announcement, it holds in aggregate 346,660,228 CAP Shares, representing approximately 20.11% of the issued share capital and voting rights of CAP. Other than such interests, the Concert Group does not hold or has control or direction over any other shares, rights over shares, convertible securities, warrants or options of CAP, and has not entered into any outstanding derivative in respect of the securities of CAP.

As at the date of this joint announcement, WYT is a substantial shareholder of PNG holding approximately 24.37% of the issued share capital and voting rights of PNG. Approximately 8.71% of the issued share capital and voting rights in PNG are held by Mr. Tang's Associates. WOG also holds approximately 20.50% of the issued share capital and voting rights of WYT. Approximately 61.58% of the total issued share capital and voting rights in WOG are held by Mr. Tang's Associates, which is comprised of (i) an approximately 25.49% interest held by Accord Power Limited as trustee for the Tang's Family Trust, a discretionary trust which is founded by Mr. Tang Ching Ho, (ii) an approximately 35.8% interest held by Caister Limited, a company wholly-owned by Mr. Tang Ching Ho, and (iii) an approximately 0.145% interest held by each of Mr. Tang Ching Ho and Ms. Yau Yuk Yin, the spouse of Mr. Tang Ching Ho. To the best knowledge and belief of the WYT Board and the PNG Board, respectively, each of WYT and PNG does not have a controlling shareholder.

Under the Rights Issue, if no shareholder of CAP other than Onger Investments takes up any Rights Shares pursuant to the PNG Irrevocable Undertaking and WYT Underwriter takes up 660,000,000 Rights Shares pursuant to the Underwriting Agreement, the voting rights in CAP held by the Concert Group will increase from approximately 20.11% to approximately 62.87%. The Concert Group will, as a result of this acquisition of voting rights in CAP, incur an obligation to make a mandatory offer for all the Adjusted Shares other than those held or agreed to be acquired by the Concert Group, unless the Whitewash Waiver is granted. The grant of the Whitewash Waiver is a condition precedent to the underwriting obligations of WYT Underwriter, which may not be waived. If the Whitewash Waiver is not granted, the Underwriting Agreement will not become unconditional and the Rights Issue will not proceed.

The Concert Group will make an application to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the CAP Independent Shareholders at the CAP SGM by way of poll. The Concert Group and persons who are involved in, or interested in, the Rights Issue, the Underwriting Agreement, the PNG Irrevocable Undertaking, the Special Deal and/or the Whitewash Waiver are required under the Takeovers Code to abstain from voting on the resolutions to be proposed at the CAP SGM to approve the Whitewash Waiver.

2. Further information on the Concert Group

As at the date of this joint announcement:

- (i) none of the members of the Concert Group has any dealings in any securities of CAP in the six-month period preceding the date of this joint announcement;
- (ii) none of the members of the Concert Group has received any irrevocable commitment to vote for or against the proposed resolution approving the Rights Issue or the Whitewash Waiver at the CAP SGM;
- (iii) save for the transactions contemplated under the Underwriting Agreement, the PNG Irrevocable Undertaking and the undertaking by Mailful Investments not to subscribe for any of its provisional allotment of Rights Shares under the Rights Issue, there is no arrangement (whether by way of option, indemnity or otherwise) under Note 8 to Rule 22 of the Takeovers Code in relation to the CAP Shares or the Adjusted Shares or the shares of each of WOG, WYT and PNG and which may be material to the Rights Issue or the Whitewash Waiver;
- (iv) save for the Underwriting Agreement, there is no arrangement or agreement to which the Concert Group is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a condition to the Rights Issue or the Whitewash Waiver; and
- (v) there is no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in CAP which the Concert Group has borrowed or lent.

PART F: GENERAL MATTERS

1. CAP Circular; CAP SGM; and Despatch of the Prospectus Documents

The CAP Circular containing, among other things:

- (i) further details of the Capital Reorganisation, the change in board lot size, the PNG Irrevocable Undertaking, the Underwriting Agreement, the Rights Issue, the Special Deal, the Whitewash Waiver and the transactions contemplated thereunder;
- (ii) a letter of recommendation from the Independent Board Committee to the CAP Independent Shareholders in respect of the Rights Issue, the Special Deal and the Whitewash Waiver as to (i) whether they are fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole, and (ii) voting by the CAP Independent Shareholders;
- (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the CAP Independent Shareholders on the Rights Issue, the Special Deal and the Whitewash Waiver as to (i) whether they are fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole, and (ii) voting by the CAP Independent Shareholders; and
- (iv) a notice convening the CAP SGM,

will be despatched to the CAP Shareholders on or before Thursday, 29 January 2015.

The CAP SGM will be convened and held for the CAP Shareholders (or the CAP Independent Shareholders, where appropriate) to consider and, if thought fit, to approve, among other things:

- (i) the proposed Capital Reorganisation;
- (ii) the Underwriting Agreement;
- (iii) the Rights Issue;
- (iv) the Special Deal; and
- (v) the Whitewash Waiver,

each in accordance with the Bye-Laws, the Listing Rules and the Takeovers Code.

Upon the approval of the Capital Reorganisation, the Underwriting Agreement, the Rights Issue, the Special Deal and the Whitewash Waiver by the CAP Shareholders (or CAP Independent Shareholders, as the case may be) at the CAP SGM, the Prospectus Documents setting out, among other things, details of the PNG Irrevocable Undertaking, the Underwriting Agreement and the Rights Issue will be despatched to the Qualifying Shareholders as soon as practicable and the Prospectus will be despatched to the Excluded Shareholders for information purposes only.

2. PNG Circular and PNG SGM

A circular containing, among other things, further details of the PNG Irrevocable Undertaking and the transactions contemplated thereunder and a notice convening the PNG SGM, will be despatched to the PNG Shareholders on or before Thursday, 29 January 2015.

The PNG SGM will be convened and held for the PNG Shareholders to consider and, if thought fit, pass the relevant resolution(s) to approve, among other things, the subscription for up to 516,192,728 Rights Shares under the Rights Issue pursuant to the PNG Irrevocable Undertaking and the transactions contemplated thereunder.

Other than WYT Group, WOG Group and Mr. Tang's Associates, no PNG Shareholder has any interest in the Rights Issue or the PNG Irrevocable Undertaking which is materially different from the other PNG Shareholders. Accordingly, no PNG Shareholder other than WYT Group, WOG Group and Mr. Tang's Associates will be required to abstain from voting at the PNG SGM.

3. WYT Circular and WYT SGM

A circular containing, among other things, further details of the Underwriting Agreement and the transactions contemplated thereunder and a notice convening the WYT SGM, will be despatched to the WYT Shareholders on or before Thursday, 29 January 2015.

The WYT SGM will be convened and held for the WYT Shareholders to consider and, if thought fit, pass the relevant resolution(s) to approve, among other things, the underwriting by WYT Underwriter of up to 660,000,000 Rights Shares pursuant to the Underwriting Agreement and the transactions contemplated thereunder.

Other than the WOG Group, no WYT Shareholder has any material interest in the Rights Issue or the Underwriting Agreement which is materially different from the other WYT Shareholders. Accordingly, no WYT Shareholder other than the WOG Group will be required to abstain from voting at the WYT SGM.

4. General information on the PNG Group, the WYT Group and the WOG Group

The PNG Group is principally engaged in the businesses of property development in the PRC and retailing of the fresh pork and related produce in Hong Kong.

The WYT Group is principally engaged in: (i) the manufacturing, processing and retailing of traditional Chinese medicine which includes Chinese medicinal products sold under the brand name of “Wai Yuen Tong” and a range of products manufactured by selected medicinal materials with traditional prescription, mainly in the PRC and Hong Kong, (ii) the processing and retailing of western pharmaceutical products, health food and personal care products under the brand names of “Madame Pearl’s” and “Pearl’s”, and (iii) property investment.

The WOG Group is principally engaged in property investment and property development in Hong Kong, management and sub-licensing of Chinese wet markets in Hong Kong and the PRC. It also has interests in the pharmaceutical business through its investment in WYT.

PART G: RESUMPTION OF TRADING

1. Resumption of trading of CAP Shares and CAP’s 1 per cent notes due 2024

At the request of CAP, trading in the CAP Shares and CAP’s 1 per cent notes due 2024 (Stock Code: 5755) on the Stock Exchange was suspended with effect from 9:00 a.m. on Wednesday, 24 December 2014 pending the release of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading in the CAP Shares and CAP’s 1 per cent notes due 2024 (Stock Code: 5755) on the Stock Exchange with effect from 9:00 a.m. on Friday, 9 January 2015.

2. Resumption of trading of PNG Shares

At the request of PNG, trading in the PNG Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Wednesday, 24 December 2014 pending the release of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading in the PNG Shares on the Stock Exchange with effect from 9:00 a.m. on Friday, 9 January 2015.

3. Resumption of trading of WYT Shares

At the request of WYT, trading in the WYT Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Wednesday, 24 December 2014 pending the release of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading in the WYT Shares on the Stock Exchange with effect from 9:00 a.m. on Friday, 9 January 2015.

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“2019 CAP Bonds”	the unsecured five-year 10.0% coupon bonds issued by CAP on 28 November 2014 to Winning Rich
“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Adjusted Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of CAP upon the Capital Reorganisation becoming effective
“Application Forms”	collectively, the EAF(s) and the PAL(s)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Bye-Laws”	the bye-laws of CAP
“CAP”	China Agri-Products Exchange Limited 中國農產品交易有限公司, an exempted company incorporated in Bermuda with limited liability whose shares are listed and traded on the Main Board of the Stock Exchange (Stock Code: 0149)
“CAP Board”	the board of CAP Directors
“CAP Circular”	the circular to be despatched to the CAP Shareholders in relation to, among other things, the Capital Reorganisation, the change in board lot size, the PNG Irrevocable Undertaking, the Underwriting Agreement, the Rights Issue, the Special Deal and the Whitewash Waiver
“CAP Director(s)”	the director(s) of CAP
“CAP Group”	CAP and its subsidiaries
“CAP Independent Shareholder(s)”	the CAP Shareholder(s), other than: (i) the CAP Directors (excluding the independent non-executive CAP Directors), the chief executive of CAP and their respective associates, and (ii) members of the Concert Group and shareholders who are involved in, or interested in, the PNG Irrevocable Undertaking, the Underwriting Agreement, the Rights Issue, the Special Deal and the Whitewash Waiver
“CAP SGM”	the special general meeting of CAP to be convened and held to consider and approve, among other things, the proposed Capital Reorganisation, the Underwriting Agreement, the Rights Issue, the Special Deal and the Whitewash Waiver

“CAP Shareholder(s)”	the holder(s) of the CAP Share(s), the Consolidated Share(s) or the Adjusted Share(s) (as the case may be)
“CAP Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of CAP prior to the implementation of the Capital Reorganisation
“Capital Reduction”	the proposed reduction of the CAP’s issued share capital whereby: (i) the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.08 each to HK\$0.01 each and the issued share capital of CAP shall accordingly be reduced to the extent of HK\$0.07 per Consolidated Share in issue, and (ii) any fractional Consolidated Share in the issued share capital of CAP arising from the Share Consolidation shall be cancelled
“Capital Reorganisation”	the proposed reorganisation of CAP’s issued share capital which comprises: (i) the Share Consolidation, (ii) the Capital Reduction, and (iii) applying the credit arising from the Capital Reduction to set-off the accumulated loss of CAP
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Companies Act”	Companies Act 1981 of Bermuda
“Concert Group”	means, as at the date of this joint announcement, Mr. Tang’s Associates, PNG, WOG, WYT and parties acting in concert with any one of them, including their respective subsidiaries (including WYT Underwriter and Onger Investments (the wholly-owned subsidiary of PNG that holds the CAP Shares))
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consolidated Share(s)”	means ordinary share(s) of HK\$0.08 each in the issued share capital of CAP immediately upon the Share Consolidation becoming effective
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“EAF(s)”	the form of application for excess Rights Shares
“Excluded Shareholder(s)”	the Overseas Shareholder(s) whose registered addresses in CAP’s register of members as at the Record Date are in places where the CAP Directors, after making enquiries, consider it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Rights Shares to such CAP Shareholders

Executive	the Executive Director of the Corporate Finance Division of the SFC or any of its delegate(s)
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the CAP Board comprising all of the three independent non-executive CAP Directors formed for the purpose of advising the CAP Independent Shareholder(s) on the Rights Issue (including the Underwriting Agreement), the Special Deal and the Whitewash Waiver
“Independent Financial Adviser”	Beijing Securities Limited, a corporation licensed under the SFO to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities and the independent financial adviser to the Independent Board Committee and the CAP Independent Shareholders on the Rights Issue (including the Underwriting Agreement), the Special Deal and the Whitewash Waiver
“Independent Third Party”	<p>a person who:</p> <ul style="list-style-type: none"> (i) is not (and will not become as a result of the consummation of the Rights Issue) a connected person of CAP and it will not be deemed a connected person of CAP pursuant to Rules 14A.19 to 14A.21 of the Listing Rules; (ii) is not financing the subscription of the Rights Shares directly or indirectly by a connected person of CAP; (iii) is not accustomed to taking instructions from a connected person of CAP in relation to the acquisition, disposal, voting or other disposition of securities of CAP registered in its name or otherwise held by it; and (iv) would not result in its aggregate holding (direct and indirect) in the total issued share capital of CAP being 10% or more of CAP’s entire issued share capital at any time
“Kingston”	Kingston Securities Limited, a corporation licensed by the SFC to carry out business in Type 1 regulated activity (dealing in securities) under the SFO
“Last Trading Day”	23 December 2014, being the last trading day for the CAP Shares on the Stock Exchange before the release of this joint announcement

“Latest Time For Acceptance”	4:00 p.m. on Tuesday, 24 March 2015, or such later time or date as may be agreed between the Underwriters and CAP in writing, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents
“Latest Time For Termination”	4:00 p.m. on the fourth business day after the Latest Time For Acceptance or such later time or date as may be agreed between the Underwriters and CAP in writing, being the latest time to terminate the Underwriting Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mailful Investments”	Mailful Investments Limited, a wholly-owned subsidiary of WOG and a company incorporated in the British Virgin Islands with limited liability
“Mr. Tang’s Associates”	together, (i) Mr. Tang Ching Ho, an executive director of WOG and WYT, (ii) Ms. Yau Yuk Yin, the spouse of Mr. Tang Ching Ho and also an executive director of WOG, (iii) Accord Power Limited as trustee for the Tang’s Family Trust, a discretionary trust founded by Mr. Tang Ching Ho, and (iv) Caister Limited, a company incorporated in the British Virgin Islands with limited liability and which is wholly-owned by Mr. Tang Ching Ho
“Onger Investments”	Onger Investments Limited, a wholly-owned subsidiary of PNG and a company incorporated in the British Virgin Islands which is principally engaged in investment holding
“Overseas Shareholder(s)”	the CAP Shareholder(s) whose address(es) on the register of members of CAP on the Record Date are outside Hong Kong
“PAL(s)”	provisional allotment letter(s) for the Rights Issue
“PNG”	PNG Resources Holdings Limited PNG資源控股有限公司, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 221)
“PNG Board”	the board of PNG Directors
“PNG Director(s)”	the director(s) of PNG
“PNG Group”	PNG and its subsidiaries
“PNG Irrevocable Undertaking”	an irrevocable undertaking dated 23 December 2014 granted by Onger Investments in favour of CAP as described in the section headed “1. The PNG Irrevocable Undertaking” in Part C of this joint announcement

“PNG SGM”	the special general meeting of PNG to be convened and held to consider and approve, among other things, the subscription of up to 516,192,728 Rights Shares under the Rights Issue pursuant to the PNG Irrevocable Undertaking and the transactions contemplated thereunder
“PNG Shareholder(s)”	the holder(s) of the PNG Share(s)
“PNG Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of PNG
“PRC”	the People’s Republic of China, which for the purpose of this joint announcement, shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China
“Prospectus”	the prospectus to be despatched to the CAP Shareholders on the Prospectus Posting Date in connection with the Rights Issue in such form as may be agreed between CAP and the Underwriters
“Prospectus Documents”	the Prospectus, the PAL(s) and the EAF(s)
“Prospectus Posting Date”	Tuesday, 10 March 2015, or such other day as may be agreed between CAP and the Underwriters, being the date of despatch of the Prospectus Documents
“Qualifying Shareholder(s)”	the CAP Shareholder(s), whose names appear on the register of members of CAP as at the Record Date, other than the Excluded Shareholders
“Record Date”	Monday, 9 March 2015, being the date by reference to which entitlements to the Rights Issue will be determined
“Registrar”	CAP’s branch share registrar and transfer office in Hong Kong, which is Tricor Investor Services Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Rights Issue”	the proposed issue of the Rights Shares by way of rights to the Qualifying Shareholders for subscription on the terms to be set out in the Prospectus Documents and summarised herein
“Rights Share(s)”	1,724,168,248 Adjusted Shares proposed to be offered to the Qualifying Shareholders for subscription on the basis of eight (8) Adjusted Shares for every one (1) Adjusted Share held on the Record Date pursuant to the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Consolidation”	the consolidation of share(s) in the issued share capital of CAP whereby every eight (8) CAP Shares of nominal value of HK\$0.01 each will be consolidated into one (1) Consolidated Share of nominal value of HK\$0.08
“Special Deal”	the repayment by CAP of indebtedness owed to the PNG Group and the WOG Group, using a portion of the aggregate net proceeds from the Rights Issue as more particularly set out in the sub-section headed “8. The Special Deal” in section 9 of Part B of this joint announcement, which constitutes a “special deal” under Note 5 to Rule 25 of the Takeovers Code
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time For Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price in respect of each Rights Share, being of HK\$0.30
“subsidiaries”	has the meaning ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers promulgated by the SFC
“Underwriters”	WYT Underwriter and Kingston
“Underwriting Agreement”	the underwriting agreement dated 23 December 2014 entered into between CAP, WYT and the Underwriters in relation to the Rights Issue
“Underwritten Shares”	all the Rights Shares in excess of the aggregate of: (i) 346,192,728 Rights Shares that will be provisionally allotted to and subscribed for by Onger Investments (or its associates) pursuant to the PNG Irrevocable Undertaking, and (ii) 170,000,000 Rights Shares for which Onger Investments (or its associates) will subscribe by way of excess application pursuant to the PNG Irrevocable Undertaking, which are fully underwritten by the Underwriters pursuant to the terms and subject to the conditions of the Underwriting Agreement

“Untaken Shares”	all those Underwritten Shares for which duly completed Application Forms (accompanied by cheques or banker’s cashier order for the full amount payable on the applications which are honoured on first, or at the option of CAP, subsequent presentation) have not been lodged for acceptance by Qualifying Shareholders, or received, as the case may be, on or before the Latest Time For Acceptance
“Whitewash Waiver”	a waiver to be granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligation of the Concert Group to make a general offer for all the issued Adjusted Shares not already owned or agreed to be acquired by the Concert Group which may otherwise arise as a result of the subscription of the Rights Shares by members of the Concert Group pursuant to the PNG Irrevocable Undertaking and the Underwriting Agreement
“Winning Rich”	Winning Rich Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of WYT
“WOG”	Wang On Group Limited (宏安集團有限公司)*, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1222)
“WOG Board”	the board of the WOG Directors
“WOG Director(s)”	the director(s) of WOG
“WOG Group”	WOG and its subsidiaries
“WOG Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of WOG
“WYT”	Wai Yuen Tong Medicine Holdings Limited (位元堂藥業控股有限公司*), an exempted company incorporated in Bermuda with limited liability and the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 897)
“WYT Board”	the board of the WYT Directors
“WYT Director(s)”	the director(s) of WYT
“WYT Group”	WYT and its subsidiaries
“WYT SGM”	the special general meeting of WYT to be convened and held to consider and approve, among other things, the underwriting of the Underwritten Shares by WYT Underwriter under the Rights Issue pursuant to the Underwriting Agreement

* For identification purpose only

“WYT Shareholder(s)”	the holder(s) of the WYT Share(s)
“WYT Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of WYT
“WYT Underwriter”	Jade Range Limited (翠嶺有限公司), a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of WYT which is principally engaged in investment holding
“WYT Underwriter Subscription Amount”	the aggregate Subscription Price payable by WYT Underwriter to CAP for the Untaken Shares which WYT Underwriter is required to subscribe under the Underwriting Agreement, less any amounts payable to WYT Underwriter under the Underwriting Agreement
“%”	per cent.

By Order of the CAP Board
CHINA AGRI-PRODUCTS EXCHANGE LIMITED
中國農產品交易有限公司
Leung Sui Wah, Raymond
Executive Director

By Order of the PNG Board
PNG RESOURCES HOLDINGS LIMITED
PNG資源控股有限公司
Chan Chun Hong, Thomas
Chairman and Managing Director

By Order of the WYT Board
WAI YUEN TONG MEDICINE HOLDINGS LIMITED
(位元堂藥業控股有限公司*)
Tang Mui Fun
Executive Director

By Order of the WOG Board
WANG ON GROUP LIMITED
(宏安集團有限公司)*
Tang Ching Ho
Chairman

Hong Kong, 8 January 2015

As at the date of this joint announcement, the CAP Board comprises Mr. Chan Chun Hong, Thomas, Mr. Leung Sui Wah, Raymond and Mr. Yau Yuk Shing as the executive directors, and Mr. Ng Yat Cheung, Ms. Lam Ka Jen, Katherine and Mr. Lau King Lung, as the independent non-executive directors. The CAP Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to PNG, WYT or WOG or any of their associates or any parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by PNG, WYT or WOG or any of their associates or any parties acting in concert with any of them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

* For identification purpose only

As at the date of this joint announcement, the PNG Board comprises Mr. Chan Chun Hong, Thomas, Mr. Cheung Wai Kai and Mr. Wong Yiu Hung, Gary, as the executive directors, and Mr. Sin Ka Man, Mr. Yuen Kam Ho, George and Mr. Cheung Sau Wah, Joseph, as the independent non-executive directors. The PNG Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to CAP, WYT or WOG or any of their associates or any parties acting in concert with any of them (excluding PNG)) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by CAP, WYT or WOG or any of their associates or any parties acting in concert with any of them (excluding PNG)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the WYT Board comprises Mr. Tang Ching Ho, Mr. Chan Chun Hong, Thomas and Ms. Tang Mui Fun as the executive directors, and Mr. Siu Man Ho, Simon, Mr. Leung Wai Ho and Mr. Cho Wing Mou as the independent non-executive directors. The WYT Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to CAP, PNG or WOG or any of their associates or any parties acting in concert with any of them (excluding WYT)) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by CAP, PNG or WOG or any of their associates or any parties acting in concert with any of them (excluding WYT)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the WOG Board comprises Mr. Tang Ching Ho, Ms. Yau Yuk Yin and Mr. Chan Chun Hong, Thomas as the executive directors, and Dr. Lee Peng Fei, Allen, Mr. Wong Chun, Justein, Mr. Siu Yim Kwan, Sidney and Mr. Siu Kam Chau as the independent non-executive directors. The WOG Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to CAP, PNG or WYT or any of their associates or any parties acting in concert with any of them (excluding WOG)) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by CAP, PNG or WYT or any of their associates or any parties acting in concert with any of them (excluding WOG)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.