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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 FIFTEEN (15) ADJUSTED SHARES FOR EVERY ONE (1) ADJUSTED SHARE HELD ON THE RECORD DATE AT HK\$0.465 PER RIGHTS SHARE
- (D) BONUS ISSUE OF ONE (1) BONUS SHARE FOR EVERY FIFTEEN (15) RIGHTS SHARES TAKEN UP UNDER THE RIGHTS ISSUE
- AND
- (E) 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 SUBSCRIPTION 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 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)

- (A) DISCLOSEABLE TRANSACTION IN RELATION TO THE SUBSCRIPTION OF RIGHTS SHARES COMPRISING THE FULL ACCEPTANCE OF PROVISIONAL ENTITLEMENT UNDER THE WOG IRREVOCABLE UNDERTAKING AND THE UNDERWRITING OF THE PROPOSED RIGHTS ISSUE
- (B) APPLICATION FOR A WHITEWASH WAIVER UNDER THE TAKEOVERS CODE IN CONNECTION WITH THE SUBSCRIPTION OF RIGHTS SHARES UNDER THE WOG IRREVOCABLE UNDERTAKING AND THE UNDERWRITING AGREEMENT
- AND
- (C) RESUMPTION OF TRADING

* For identification purpose only

UNDERWRITERS OF THE RIGHTS ISSUE



FINANCIAL ADVISER TO CHINA AGRI-PRODUCTS EXCHANGE LIMITED



KINGSTON CORPORATE FINANCE LTD.

CAPITAL REORGANISATION OF, RIGHTS ISSUE AND BONUS 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 forty (40) 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\$0.40;
- (ii) a proposed Capital Reduction whereby: (a) the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.40 each to HK\$0.01 each and the issued share capital of CAP shall be reduced by HK\$0.39 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.

As a result of the Capital Reorganisation, the board lot size of the CAP Shares for trading on the Stock Exchange will temporarily decrease from 10,000 CAP Shares to 250 Adjusted Shares. The CAP Board announces that the board lot size of the Adjusted Shares will be changed from 250 Adjusted Shares to 4,000 Adjusted Shares after the Capital Reorganisation becomes effective.

Please refer to Part A of this joint announcement for further details of the Capital Reorganisation and the change in board lot size.

Rights Issue and Bonus Issue

CAP proposes to raise gross proceeds of approximately HK\$514.6 million, before expenses, by way of the Rights Issue. CAP shall allot and issue 1,106,619,045 Rights Shares at the Subscription Price of HK\$0.465 per Rights Share, on the basis of fifteen (15) 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.

Subject to the satisfaction of the conditions of the Rights Issue, 73,774,603 Bonus Shares will be issued on the basis of one (1) Bonus Share for every fifteen (15) Rights Shares taken up under the Rights Issue.

An application will be made to the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) and the Bonus Shares.

Please refer to Part B of this joint announcement for further details of the Rights Issue and the Bonus Issue.

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 and the Bonus Issue will result in an increase in CAP's issued share capital by more than 50%, the Rights Issue and the Bonus Issue are 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 other things, whether the Rights Issue and the Bonus Issue are fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole.

CAP has also appointed Nuada Limited as an independent financial adviser to advise the Independent Board Committee and the CAP Independent Shareholders as to whether the terms of the Rights Issue and the Bonus Issue are fair and reasonable.

Use of Proceeds

The net proceeds to be raised from the Rights Issue, which are estimated to be approximately HK\$495.5 million, are intended to be applied as follows:

- (i) approximately HK\$450 million will be utilised for the development of existing and future agricultural exchange projects, of which approximately HK\$300 million will be utilised for the acquisitions of land in the PRC and approximately HK\$150 million will be utilised for the payments of construction costs of the agricultural produce exchanges in the PRC; and
- (ii) the remaining balance of approximately HK\$45.5 million will be utilised for general working capital of the CAP Group.

Effects on the Shareholding Structure of CAP as a result of the Capital Reorganisation, the Rights Issue and the Bonus Issue

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

	As at the date of this joint announcement <i>Number of CAP Shares</i>		Immediately after the Capital Reorganisation but before completion of the Rights Issue and the Bonus Issue <i>Number of Adjusted Shares</i>		Immediately after completion of the Rights Issue and the Bonus Issue, assuming all Rights Shares are subscribed by the Qualifying Shareholders <i>Number of Adjusted Shares</i>		Immediately after completion of the Rights Issue and the Bonus Issue, assuming all Rights Shares are subscribed by Onger Investments, Mailful Investments and the Underwriters <i>(Notes 1, 2 and 3)</i> <i>Number of Adjusted Shares</i>	
		%		%		%		%
<i>Concert Group</i>								
PNG Group	694,612,174	23.54	17,365,304	23.54	295,210,168	23.54	362,410,168	28.90
WOG Group	1,100,000	0.04	27,500	0.04	467,500	0.04	243,667,500	19.43
WYT Group	—	—	—	—	—	—	243,200,000	19.39
Sub-total	695,712,174	23.58	17,392,804	23.58	295,677,668	23.58	849,277,668	67.72
<i>Other CAP Shareholders</i>								
Kingston (including subscribers procured by it)	—	—	—	—	—	—	348,508,784	27.79
Other public CAP Shareholders	2,255,271,961	76.42	56,381,799	76.42	958,490,583	76.42	56,381,799	4.49
Total	2,950,984,135	100.00	73,774,603	100.00	1,254,168,251	100.00	1,254,168,251	100.00

Notes:

1. Please refer to the section headed “Maintenance of Public Float” below.
2. Assuming all 63,000,000 Rights Shares applied for by Onger Investments by way of excess application pursuant to the PNG Irrevocable Undertaking are allocated to it.
3. 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 and Mailful 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.

IRREVOCABLE UNDERTAKINGS TO SUBSCRIBE FOR RIGHTS SHARES BY ONGER INVESTMENTS AND MAILFUL INVESTMENTS

Onger Investments and Mailful Investments, each a wholly-owned subsidiary of PNG and WOG respectively that holds the CAP Shares, have irrevocably undertaken to CAP to accept and subscribe for 260,479,560 and 412,500 Rights Shares, respectively, that will be provisionally allotted to each of them nil-paid under the Rights Issue. In addition, Onger Investments has irrevocably undertaken to CAP to apply, by way of excess application, for 63,000,000 Rights Shares.

The PNG Irrevocable Undertaking

As at the date of this joint announcement, PNG, through its wholly-owned subsidiary, Onger Investments, is interested in 694,612,174 CAP Shares, representing approximately 23.54% of the issued share capital of CAP. On 4 December 2013, Onger Investments has granted the PNG Irrevocable Undertaking in favor of CAP under which it agreed to, among other things, subscribe, or procure its associates to subscribe, up to a total of 323,479,560 Rights Shares of which 260,479,560 Rights Shares comprise the full acceptance of its provisional entitlements and 63,000,000 Rights Shares comprise its subscription of additional Rights Shares by way of excess application.

Major Transaction for PNG

The subscription in full for Onger Investments' provisional entitlement 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 EGM will be held to consider and, if thought fit, pass the relevant resolution(s) to approve, among other things, the subscription by PNG for up to 323,479,560 Rights Shares under the PNG Irrevocable Undertaking and the transactions contemplated thereunder.

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

The WOG Irrevocable Undertaking

As at the date of this joint announcement, WOG, through its wholly-owned subsidiary, Mailful Investments, is interested in 1,100,000 CAP Shares, representing approximately 0.04% of the issued share capital of CAP. On 4 December 2013, Mailful Investments has granted the WOG Irrevocable Undertaking in favor of CAP under which it agreed to, among other things, subscribe, or procure its associates to subscribe, for 412,500 Rights Shares which comprise the full acceptance of its provisional entitlement.

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

UNDERWRITING OF THE PROPOSED RIGHTS ISSUE BY WYT UNDERWRITER AND WOG UNDERWRITER

The Underwriting Agreement

On 4 December 2013, WYT Underwriter, WOG Underwriter, WYT, WOG, Kingston and CAP entered into the Underwriting Agreement pursuant to which the Underwriters agreed to fully underwrite the proposed Rights Issue in the following manner:

- (i) WYT Underwriter and WOG Underwriter have agreed to underwrite in total the first 456,000,000 Rights Shares (assuming no further CAP Share or Adjusted Share will be issued or repurchased on or before the Record Date);
- (ii) WYT Underwriter and WOG Underwriter have agreed that each of them will take up an equal share of the total Underwritten Shares that they are required to take up under the Underwriting Agreement, being 228,000,000 Rights Shares each; and
- (iii) Kingston has agreed to fully underwrite all remaining Underwritten Shares not already taken up by WYT Underwriter and WOG Underwriter, being 326,726,985 Rights Shares.

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

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 or WOG Underwriter.

Please refer to the section 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 228,000,000 Rights Shares (being half of the total Underwritten Shares that WYT Underwriter and WOG Underwriter have agreed to underwrite) 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 other things, the underwriting by WYT Underwriter of up to 228,000,000 Rights Shares under the Underwriting Agreement and the transactions contemplated thereunder.

Discloseable Transaction for WOG

The subscription in full of Mailful Investments’ provisional entitlement under the Rights Issue under the WOG Irrevocable Undertaking and the underwriting of up to 228,000,000 Rights Shares (being half of the total Underwritten Shares that WYT Underwriter and WOG Underwriter have agreed to underwrite) by WOG Underwriter under the Underwriting Agreement constitute a discloseable transaction for WOG under Chapter 14 of the Listing Rules and are subject to the notification and publication requirements under the Listing Rules.

Maintenance of Public Float

Under the Underwriting Agreement, in the event that the Underwriters are called upon to subscribe for or procure subscription for the Untaken Shares, each of WYT Underwriter and WOG Underwriter shall ensure that each of the subscribers of the Untaken Shares procured by it, other than itself and any members of the Concert Group or their respective associates, shall be an Independent Third Party. Kingston shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it, its associates and parties acting in concert with it in CAP to reach 10% or more of the voting rights of CAP upon completion of the Rights Issue and the Bonus Issue.

Kingston shall use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it: (i) shall be an Independent Third Party and not acting in concert with any members of the Concert Group; and (ii) shall not, together with any of the subscriber's associates and parties acting in concert with the subscriber, hold 10% or more of the voting rights of CAP upon completion of the Rights Issue and the Bonus Issue.

APPLICATION FOR WHITEWASH WAIVER UNDER THE TAKEOVERS CODE BY THE CONCERT GROUP

The Concert Group holds in aggregate 695,712,174 CAP Shares, representing approximately 23.58% of the issued share capital and voting rights of CAP. Under the Rights Issue, if no shareholder of CAP other than Onger Investments and Mailful Investments takes up any Rights Shares, the voting rights in CAP held by the Concert Group will increase from approximately 23.58% to approximately 67.72%.

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 and WOG Underwriter, which is incapable of being waived. If the Whitewash Waiver is not granted, the Underwriting Agreement will not become unconditional and the Rights Issue and the Bonus 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 Underwriting Agreement, the PNG Irrevocable Undertaking, the WOG Irrevocable Undertaking 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 Part F of this joint announcement for further details.

RESUMPTION OF TRADING

At the requests of CAP, PNG, WYT and WOG, respectively, trading in the CAP Shares, the PNG Shares, the WYT Shares and the WOG Shares on the Stock Exchange were suspended with effect from 9:00 a.m. on Thursday, 5 December 2013 pending the release of this joint announcement. Applications have been made to the Stock Exchange for the resumption of trading in the CAP Shares, the PNG Shares, the WYT Shares and the WOG Shares, respectively, on the Stock Exchange with effect from 9:00 a.m. on Friday, 20 December 2013.

WARNING OF RISKS OF DEALINGS IN CAP SHARES, ADJUSTED SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue and the Bonus Issue are conditional upon the fulfillment of the conditions set out in the section headed “5. Conditions of the Rights Issue and the Bonus Issue” in Part B of this joint announcement. In particular, the Rights Issue and the Bonus Issue are subject to the Underwriters not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Rights Issue and the Bonus Issue may or may not proceed. Any CAP Shareholders or potential investors contemplating selling or purchasing CAP Shares, Adjusted Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue and the Bonus Issue are fulfilled will bear the risk that the Rights Issue and the Bonus Issue may not become unconditional or may not proceed. CAP Shareholders and potential investors are reminded to exercise caution when dealing in CAP Shares, 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 forty (40) 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\$0.40;
- (ii) a proposed Capital Reduction whereby: (a) the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.40 each to HK\$0.01 each and the issued share capital of CAP shall be reduced by HK\$0.39 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 G 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 2,950,984,135 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 73,774,603 Consolidated Shares of nominal value of HK\$0.40 each.

Upon the proposed Capital Reduction becoming effective, the nominal value of all the issued Consolidated Shares shall be reduced from HK\$0.40 each to HK\$0.01 each and the issued share capital of CAP shall accordingly be reduced to the extent of HK\$0.39 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 approximately HK\$737,746.03 divided into 73,774,603 Adjusted Shares of nominal value of HK\$0.01 each.

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\$28,772,095.32 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. 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 Share Certificates

Subject to the Capital Reorganisation becoming effective, CAP Shareholders may submit certificates for the existing CAP Shares to the Registrar during normal business hours from Tuesday, 11 February 2014, to Wednesday, 19 March 2014 (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 Monday, 17 March 2014, being the latest time and date for trading in board lot of 250 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

As a result of the Capital Reorganisation, the board lot size of CAP Shares for trading on the Stock Exchange will temporarily decrease from 10,000 CAP Shares to 250 Adjusted Shares. The CAP Board announces that the board lot size of the Adjusted Shares will be changed from 250 Adjusted Shares to 4,000 Adjusted Shares after the Capital Reorganisation becomes effective such that each CAP Shareholder who holds one board lot of CAP Shares on the Record Date and subscribes in full for his provisional entitlements will hold at least one board lot upon completion of the Capital Reorganisation and change in board lot size.

Based on the closing price of HK\$0.113 per CAP Share as quoted on the Stock Exchange on the Last Trading Day, the prevailing board lot value is HK\$1,130 in the board lot size of 10,000 CAP Shares and, based on the theoretical ex-entitlement price of the Adjusted Shares of HK\$0.676 per Adjusted Share with reference to the closing price of HK\$0.113 per CAP Share on the Last Trading Day, the new estimated board lot value would be HK\$2,704 in the new board lot size of 4,000 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 Tuesday, 25 February 2014, any new share certificates will be issued in board lots of 4,000 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" in Part B of this joint announcement.

The CAP Shareholders may submit their existing share certificates in board lots of 10,000 CAP Shares each to the Registrar in exchange for new share certificates in board lots of 4,000 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 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 Tuesday, 25 February 2014, to 4:00 p.m. on Monday, 17 March 2014, (both dates inclusive), and as further extended by the Rights Issue and the Bonus Issue for a period of 14 days to 4:00 p.m. on Monday, 31 March 2014. 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.

PART B: PROPOSED RIGHTS ISSUE AND BONUS ISSUE BY CAP

1. The Rights Issue and the Bonus Issue

CAP proposes to raise gross proceeds of approximately HK\$514.6 million, before expenses, by way of the Rights Issue. CAP shall allot and issue 1,106,619,045 Rights Shares at the Subscription Price of HK\$0.465 per Rights Share. The Rights Issue is fully underwritten by the Underwriters and is conditional on, among other things, the Capital Reorganisation becoming effective.

Subject to the satisfaction of the conditions of the Rights Issue, a total of 73,774,603 Bonus Shares will be issued.

2. Issue Statistics

Basis of the Rights Issue	:	Fifteen (15) Adjusted Shares for every one (1) Adjusted Share held on the Record Date
Basis of the Bonus Issue	:	One (1) Bonus Share for every fifteen (15) Rights Shares taken up
Subscription Price	:	HK\$0.465 per Rights Share payable in full on acceptance
Number of CAP Shares in issue as at the date of this joint announcement	:	2,950,984,135 CAP Shares
Number of Adjusted Shares in issue upon completion of the Capital Reorganisation	:	73,774,603 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 pursuant to the Rights Issue	:	1,106,619,045 Adjusted Shares

Number of Bonus Shares pursuant to : 73,774,603 Adjusted Shares
the Bonus Issue

Total number of issued Adjusted : 1,254,168,251 Adjusted Shares
Shares upon completion of
the Rights Issue and
the Bonus Issue

The total number of 1,180,393,648 Adjusted Shares based on 1,106,619,045 Rights Shares and 73,774,603 Bonus Shares represents:

- (i) approximately 1,600% of the number of 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 94.12% of CAP's issued share capital as enlarged by the issue of the Rights Shares and the Bonus Shares.

3. Subscription Price

The Subscription Price is HK\$0.465 per Rights Share, payable in full on acceptance. The Subscription Price represents:

- (i) a discount of approximately 89.71% to the adjusted closing price of HK\$4.52 per Adjusted Share, based on the closing price of HK\$0.113 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 89.43% to the adjusted average closing price of approximately HK\$4.40 per Adjusted Share, based on the average closing price of approximately HK\$0.110 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 31.21% to the theoretical ex-entitlement price of approximately HK\$0.676 per Adjusted Share after the Rights Issue (after taking into consideration of the Bonus Issue), based on the closing price of HK\$0.113 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 96.72% to the unaudited net asset value per Adjusted Share of approximately HK\$14.19 as at 30 June 2013 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$53.1 million from the placing of CAP Shares completed in November 2013.

Since every one (1) Bonus Share will be issued upon the subscription of fifteen (15) Rights Shares, for illustrative purpose, the average price for each Adjusted Share to be allotted and issued under the Rights Issue and the Bonus Issue will be approximately HK\$0.436, which represents:

- (i) a discount of approximately 90.35% to the adjusted closing price of HK\$4.52 per Adjusted Share, based on the closing price of HK\$0.113 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 90.09% to the adjusted average closing price of approximately HK\$4.40 per Adjusted Share, based on the average closing price of approximately HK\$0.110 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 35.50% to the theoretical ex-entitlement price of approximately HK\$0.676 per Adjusted Share after the Rights Issue (after taking into consideration of the Bonus Issue), based on the closing price of HK\$0.113 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 96.93% to the unaudited net asset value per Adjusted Share of approximately HK\$14.19 as at 30 June 2013 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$53.1 million from the placing of CAP Shares completed in November 2013.

4. Basis of Determining the Subscription Price and the Bonus Issue

The determination of the Subscription Price, the subscription ratio and the Bonus Issue was a commercial decision made by CAP after arm's length negotiation between CAP and the Underwriters. The determination was driven by, among other factors:

- (i) the capital needs of the CAP Group;
- (ii) the financial position of the CAP Group;
- (iii) the market price of the CAP Shares; and
- (iv) the prevailing market conditions.

In particular, CAP notes that:

- (i) the Rights Issue, if successful, would enable CAP to raise net proceeds of approximately HK\$495.5 million. Based on CAP's total equity attributable to the owners of CAP of approximately HK\$993.9 million as of 30 June 2013, the Rights Issue is intended to strengthen CAP's equity base by approximately 49.85%;
- (ii) had CAP raised HK\$495.5 million in the form of debt rather than equity, assuming the debt carried an interest of 9.5% per year (being the weighted average of the interest rate payable by CAP on its debt as of 30 June 2013), CAP would have to pay approximately HK\$47.1 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\$47.1 million per year compared with incurring debt of the same amount; and
- (iii) CAP is in need of raising equity capital. CAP's auditors have noted (without qualifying their opinion) in its Independent Auditor's Reports for the year ended 31 December 2012 and its Independent Review Report for the six months ended 30 June 2013 the existence of a material uncertainty which may cast significant doubt on CAP's ability to continue as a going concern. The Rights Issue is intended to enable the equity capital of CAP to be strengthened significantly to alleviate the going concern issues.

Taking into account all these factors, and the alternative financing methods CAP had considered and referred to under the section headed “8. Reasons for the Rights Issue and the Bonus Issue” in this Part B of this joint announcement, CAP is of the view that the terms of the Rights Issue, including its Subscription Price and subscription ratio, are in the interest of CAP shareholders as a whole.

The deep discount to the adjusted closing price represented by the Subscription Price (together with the Bonus Issue which will effectively reduce the average price per Rights Share taken up) 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 abovementioned factors, 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.

Given that the Bonus Issue can: (i) effectively reduce the average price per Rights Share taken up; and (ii) provide incentives to the Qualifying Shareholders to subscribe for the Rights Shares, and in view of the prevailing market conditions of the capital market in Hong Kong and the benefits of the Rights Issue, 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 an independent financial adviser) consider that the Subscription Price, the subscription ratio and the other terms of the Rights Issue and the Bonus Issue are fair and reasonable and in the best interests of CAP and the CAP Shareholders as a whole.

CAP had not approached any other independent underwriters to consider underwriting this Rights Issue. The reasons for not approaching other independent underwriters are as follows:

- (i) CAP is a company with a very small market capitalisation, being approximately HK\$333.4 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 and the Bonus Issue

The Rights Issue and the Bonus Issue are subject to, among others, 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 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 and the Companies 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, the Rights Shares (in both nil-paid and fully-paid forms) and the Bonus Shares 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 Bonus Issue and the transactions contemplated thereunder and authorising the CAP Directors to allot and issue the Rights Shares (in their nil-paid and fully-paid forms) and the Bonus Shares; and (c) the Whitewash Waiver, 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 EGM 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 as may be required to be obtained from the Executive for the transactions contemplated under the Rights Issue and the Bonus 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) the compliance with and performance of all undertakings and obligations of Mailful Investments, or any of its respective associates, under the WOG Irrevocable Undertaking;
- (xii) if necessary, the obtaining of the consent or permission from the Bermuda Monetary Authority in respect of the issue of the Rights Shares and the Bonus Shares; and
- (xiii) 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 the Latest Time For Termination (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 shall 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 Rights Issue and the Bonus Issue and Maintenance of Public Float

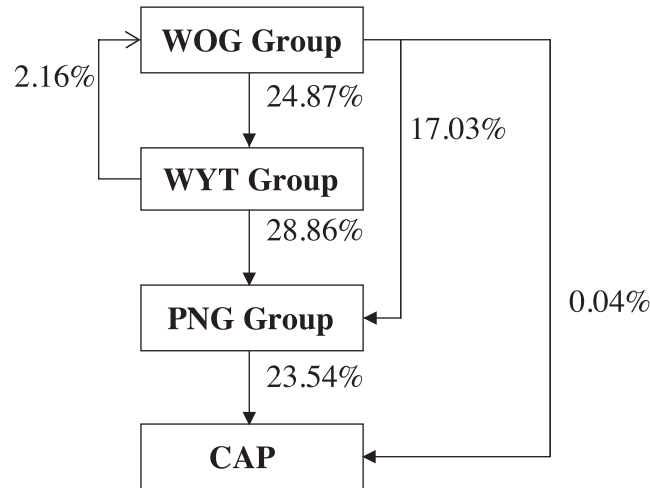
The changes in the shareholding structure of CAP arising from the Rights Issue and the Bonus Issue are as follows:

	As at the date of this joint announcement <i>Number of CAP Shares</i>		Immediately after the Capital Reorganisation but before completion of the Rights Issue and the Bonus Issue <i>Number of Adjusted Shares</i>		Immediately after completion of the Rights Issue and the Bonus Issue, assuming all Rights Shares are subscribed by the Qualifying Shareholders <i>Number of Adjusted Shares</i>		Immediately after completion of the Rights Issue and the Bonus Issue, assuming all Rights Shares are subscribed by Onger Investments, Mailful Investments and the Underwriters <i>(Notes 1 and 2) Number of Adjusted Shares</i>	
		<i>%</i>		<i>%</i>		<i>%</i>		<i>%</i>
<i>Concert Group</i>								
PNG Group	694,612,174	23.54	17,365,304	23.54	295,210,168	23.54	362,410,168	28.90
WOG Group	1,100,000	0.04	27,500	0.04	467,500	0.04	243,667,500	19.43
WYT Group	—	—	—	—	—	—	243,200,000	19.39
Sub-total	695,712,174	23.58	17,392,804	23.58	295,677,668	23.58	849,277,668	67.72
<i>Other CAP Shareholders</i>								
Kingston (including subscribers procured by it)	—	—	—	—	—	—	348,508,784	27.79
Other public CAP Shareholders	2,255,271,961	76.42	56,381,799	76.42	958,490,583	76.42	56,381,799	4.49
Total	2,950,984,135	100.00	73,774,603	100.00	1,254,168,251	100.00	1,254,168,251	100.00

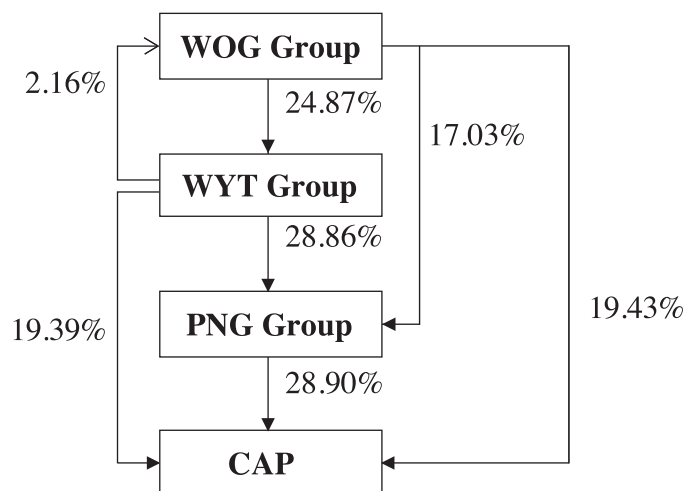
Notes:

1. Assuming all 63,000,000 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 and Mailful 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 following chart shows the Concert Group's shareholding in CAP as at the date of this joint announcement:



The following chart shows the Concert Group's shareholding in CAP immediately after completion of the Rights Issue and the Bonus Issue, assuming all Rights Shares are subscribed by Onger Investments (including by way of excess application), Mailful Investments and the Underwriters and no other changes to the share capital of CAP in the meantime:



Under the Underwriting Agreement, in the event that the Underwriters are called upon to subscribe for or procure subscription for the Untaken Shares, each of WYT Underwriter and WOG Underwriter shall ensure that each of the subscribers of the Untaken Shares procured by it, other than itself and any members of the Concert Group or their respective associates, shall be an Independent Third Party. Kingston shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it, its associates and parties acting in concert with it in CAP to reach 10% or more of the voting rights of CAP upon the completion of the Rights Issue and the Bonus Issue.

Kingston shall use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it: (i) shall be an Independent Third Party and not acting in concert with any members of the Concert Group; and (ii) shall not, together with any of the subscriber's associates and parties acting in concert with the subscriber, hold 10% or more of the voting rights of CAP upon completion of the Rights Issue and the Bonus Issue.

7. Principal Terms of the Underwriting Agreement

Date : 4 December 2013

Parties : (i) CAP;

(ii) WYT Underwriter, a wholly-owned subsidiary of WYT;

(iii) WOG Underwriter, a wholly-owned subsidiary of WOG;

(iv) WYT;

(v) WOG; and

(vi) Kingston. Kingston and its ultimate beneficial owners are Independent Third Parties.

Total number of Underwritten Shares : 782,726,985 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 and Mailful Investments under the Irrevocable Undertakings 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 and WOG Underwriter have agreed to underwrite in total the first 456,000,000 Rights Shares (assuming no further CAP Share or Adjusted Share will be issued or repurchased on or before the Record Date).

WYT Underwriter and WOG Underwriter have agreed that each of them will take up an equal share of the total Underwritten Shares that they are required to take up under the Underwriting Agreement, being 228,000,000 Rights Shares each.

Kingston has agreed to fully underwrite all remaining Underwritten Shares that have not been taken up by WYT Underwriter and WOG Underwriter, being 326,726,985 Rights Shares.

No sub-underwriting arrangement will be made by WYT Underwriter or WOG 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. 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 Bonus 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 an 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 and the Bonus Issue" in this Part B of this joint announcement.
- Other undertakings : Each of WYT Underwriter and WOG Underwriter shall ensure that each of the subscribers of the Untaken Shares procured by it, other than itself and any members of the Concert Group or their respective associates, shall be an Independent Third Party.
- Kingston shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it, its associates and parties acting in concert with it in CAP to reach 10% or more of the voting rights of CAP upon the completion of the Rights Issue and the Bonus Issue.
- Kingston shall use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it: (i) shall be an Independent Third Party and not acting in concert with any members of the Concert Group; and (ii) shall not, together with any of the subscriber's associates and parties acting in concert with the subscriber, hold 10 % or more of the voting rights of CAP upon completion of the Rights Issue and the Bonus Issue.
- In consideration of CAP proceeding with the Rights Issue and the Bonus Issue, each of WYT and WOG irrevocably undertakes to CAP that it will procure the due and punctual performance, observance and compliance by WYT Underwriter and WOG Underwriter, respectively, of all of their respective 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 and/or Bonus 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 and/or the Bonus 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 ejusdem generis 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 and/or the Bonus Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue and/or the Bonus 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 and/or the Bonus Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue and/or the Bonus 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 ejusdem generis 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 and/or the Bonus 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 and/or the Bonus 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 shall be entitled by notice in writing to CAP and the other Underwriters, served prior to the Latest Time For Termination, to terminate the Underwriting Agreement.

Any of the Underwriters shall also be entitled 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 and the Bonus Issue

The CAP Group is currently engaged in the business of property rental and property sale in respect of agricultural produce exchanges in the PRC.

The CAP Board is optimistic about the future development of CAP because of the continuing support of the agricultural sector by the PRC government including implementation of various positive policy supports and financial assistance given by the PRC government to the agricultural sector.

Furthermore, the total value of the CAP Group's investment properties and stock of properties as at 30 June 2013 is approximately HK\$3.9 billion and its properties portfolio includes a total land reserve of approximately 1.3 million square meters as at 30 June 2013.

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. Pursuant to 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 agricultural subsidy policy, adopting and improving the reward and subsidy scheme for agricultural production and to improve regulatory mechanism for agricultural market; and (iii) open agriculture wider to the outside world by promoting international cooperation in agriculture and enhancing international agricultural trade.

Taking into account the strong growth in the overall PRC economy and the favorable government policy in respect of the agricultural industry which lead to an increase of property value and rental income of agricultural produce exchanges as well as optimistic market sentiments, coupled with the appreciation of the Renminbi, the CAP Board expects that the CAP Group's investments in the PRC agricultural produce exchanges would continue to grow in the current economic environment thereby bringing a positive and satisfactory 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 and the Bonus 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.

The expenses in relation to the Rights Issue and the Bonus 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 placing and 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 an independent financial adviser) consider the Rights Issue as presently the most commercially viable option for CAP in the prevailing circumstances 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 the CAP Shareholders the right to participate in the capital exercise and they would be diluted without being an opportunity to maintain their percentage interests;
- (ii) costs of other fund-raising alternatives — as of 30 June 2013, 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	409	5.8-7.8
Related party loans	1,195	10.0-12.0
Third party loans	55	12.0
Total	<u>1,659</u>	

This represented a gearing ratio of approximately 166.92% as of 30 June 2013, which is calculated by dividing the total outstanding loan amount of approximately HK\$1,659 million by total equity in the amount of approximately HK\$993.9 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 the Bonus Issue" 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, CAP has completed a placing of CAP Shares on 6 November 2013 and has approached certain financial institutions and obtained certain loan facilities, in addition to obtaining the loans from PNG, WYT and WOG. Among the options that CAP has considered is a long term bond with effective interest rate of approximately 11.3% per year and borrowings from the PRC banks and financial institutions with effective interest rate of between 11.0% to 18.0% per year.

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 Bonus 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 an independent financial adviser) is of the view that the Rights Issue and the Bonus Issue are in the interests of CAP and the CAP Shareholders as a whole.

CAP Shareholders are afforded the following mechanism to protect their interests: (a) 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 and Mailful Investments will abstain from voting); (b) 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 Nuada Limited, the independent financial adviser to the CAP Independent Shareholders and the Independent Board Committee. 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 are able to decide, as a commercial matter, whether CAP should proceed with the Rights Issue and the Bonus Share in the terms proposed.

However, those Qualifying Shareholders who do not take up the Rights Shares and the Bonus 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 an independent financial adviser), consider that the Rights Issue and the Bonus Issue are 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 and the Bonus Issue.

As at 30 June 2013, details of the outstanding loans due from CAP to PNG, WYT and WOG are as follows:

Lender	Parent of Lender	Date of Loan Agreement	Nature of Loan	Outstanding Loan Amount (in HK\$ million)	Interest Rate	Security	Maturity Date
Winning Rich Investments Limited	WYT	11 January 2011 (as supplemented on 6 September 2012) ¹	Unsecured	60	10.0%	Nil	30 September 2014
		10 March 2011 (as supplemented on 6 September 2012) ¹	Unsecured	15	10.0%	Nil	30 September 2014
		22 November 2012 ¹	Unsecured	100	10.0%	Nil	27 December 2015
		28 May 2013 ¹	Unsecured	150	12.0%	Nil	27 May 2016
			Sub-total	325	10.0-12.0%		
Peony Finance Limited	PNG	4 February 2013	Unsecured	60	11.0%	Nil	3 February 2016
		6 March 2013	Unsecured	140	11.0%	Nil	31 March 2016
			Sub-total	200	11.0%		
True Noble Limited	WOG	16 July 2012 (as supplemented on 31 July 2012)	Secured	670	10.0%	Pledge of shares of, and floating charges over assets of, certain subsidiaries of CAP, and an assignment of loan by CAP	30 September 2014
			Total	<u>1,195</u>			

Note 1: Give Power Limited has assigned all its rights, title, benefits and interest under the loan agreement to Winning Rich Investments Limited on 25 June 2013.

9. Use of Proceeds

As at 30 November 2013, the CAP Group had an aggregate cash balance of approximately HK\$261 million. Taking into account CAP's total borrowings of approximately HK\$1,659 million (with annualised interest expenses of approximately HK\$157.6 million assuming the interest rate of 9.5% per year as mentioned in the section headed "4. Basis of Determining the Subscription Price and the Bonus Issue" in this Part B of this joint announcement) and a gearing ratio of approximately 166.92% as of 30 June 2013, 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. The net proceeds to be raised from the Rights Issue, which are estimated to be approximately HK\$495.5 million, are intended to be applied as follows:

- (i) approximately HK\$450 million will be utilised for the development of existing and future agricultural exchange projects, of which approximately HK\$300 million will be utilised for the acquisitions of land in the PRC and approximately HK\$150 million will be utilised for the payments of construction costs of the agricultural produce exchanges in the PRC; and
- (ii) the remaining balance of approximately HK\$45.5 million will be utilised for general working capital of the CAP Group.

As of the date of this joint announcement, the CAP Group was involved in the construction of agricultural exchange projects in: (i) Kaifeng City, Henan Province, the PRC; and (ii) Yulin City, Guangxi Province, the PRC. Approximately HK\$150 million will be utilised for the construction of these agricultural exchange projects as well as other construction work which may commence after the acquisitions of land as mentioned below, of which approximately HK\$130 million is intended for the Kaifeng City project (work commenced in August 2013 and expected to be completed in June 2014) and approximately HK\$20 million is intended for the Yulin City project (work commenced in August 2013 and expected to be completed in March 2014). CAP currently does not intend to use proceeds from the Rights Issue to develop land that it has already acquired in Luoyang City and Huaian City, the PRC.

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) Huaian; (ii) Wuhan; (iii) Changde; (iv) Fuzhou; (v) Panjin; (vi) Chenzhou; (vii) Taizhou; and (viii) Pu Yang, for the purpose of developing agricultural produce exchanges. Approximately HK\$300 million will be utilised to part-finance the acquisitions of land in one or more of the above cities. CAP currently estimates that, if it were to be successful in acquiring all the land set out above, the acquisition cost would be approximately HK\$1,155 million.

There is no certainty that CAP would be successful in acquiring any of the land but without any funding in place, CAP would not be able to participate in any land auction. CAP believes that the land auctions are likely to take place in the second quarter of 2014 but the relevant municipal authorities have discretion on the actual timing. Accordingly, CAP is of the view that it needs to be financially prepared before the auctions take place.

CAP Shareholders should note that the negotiations for the acquisitions of land may or may not materialise in full or at all, and the development of agricultural exchange projects in one or more of these cities may or may not proceed. The CAP Board will, having taken into account factors including the capital requirements of the land acquisitions, the financial conditions of the CAP Group and the commercial merits of the acquisition opportunities, decide on the appropriate acquisition opportunities to pursue.

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

Event	Timeline
Expected despatch date of the circular with notice of the CAP SGM	13 January 2014, Monday
Latest time for lodging proxy forms for the CAP SGM	10:00 a.m. on 8 February 2014, Saturday
Expected date and time of the CAP SGM	10:00 a.m. on 10 February 2014, Monday
Announcement of results of the CAP SGM	10 February 2014, Monday
Effective date and time of the Capital Reorganisation	9:00 a.m. on 11 February 2014, Tuesday
Commencement of dealings in the Adjusted Shares	9:00 a.m. on 11 February 2014, Tuesday
Original counter for trading in CAP Shares in existing share certificates in board lots of 10,000 CAP Shares temporarily closes	9:00 a.m. on 11 February 2014, Tuesday
Temporary counter for trading in Adjusted Shares in board lots of 250 Adjusted Shares (in the form of existing share certificates) opens	9:00 a.m. on 11 February 2014, Tuesday
First day of free exchange of existing certificates for the CAP Shares into new certificates for the Adjusted Shares	11 February 2014, Tuesday
Last day of dealings in Adjusted Shares on a cum-rights basis	13 February 2014, Thursday
First day of dealings in Adjusted Shares on an ex-rights basis	14 February 2014, Friday
Latest time for the CAP Shareholders to lodge transfer of Adjusted Shares in order to qualify for the Rights Issue and the Bonus Issue	4:30 p.m. on 17 February 2014, Monday

Closure of register of members of CAP (both dates inclusive)	18 February 2014, Tuesday to 21 February 2014, Friday
Record Date and time for determining entitlements to the Rights Issue	4:00 p.m. on 21 February 2014, Friday
Register of members of CAP re-opens	24 February 2014, Monday
Despatch of Prospectus Documents	24 February 2014, Monday
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 25 February 2014, Tuesday
Original counter for trading in the Adjusted Shares in board lots of 4,000 Adjusted Shares (in the form of new certificates) re-opens	9:00 a.m. on 25 February 2014, Tuesday
Parallel trading in Adjusted Shares (in the form of both existing certificates in board lots of 250 Adjusted Shares and new certificates in board lots of 4,000 Adjusted Shares) commences	9:00 a.m. on 25 February 2014, Tuesday
First day of dealings in nil-paid Rights Shares	26 February 2014, Wednesday
Latest time for splitting nil-paid Rights Shares	4:00 p.m. on 28 February 2014, Friday
Last day of dealings in nil-paid Rights Shares	5 March 2014, Wednesday
Latest time for acceptance of, and payment for, the Rights Shares and the applications for excess Rights Shares	4:00 p.m. on 10 March 2014, Monday
Latest time to terminate the Underwriting Agreement and for the Rights Issue to become unconditional	4:00 p.m. on 14 March 2014, Friday
Announcement of results of the Rights Issue	17 March 2014, Monday
Temporary counter for trading in Adjusted Shares in board lots of 250 Adjusted Shares (in the form of existing certificates) closes	4:00 p.m. on 17 March 2014, Monday

Parallel trading in the Adjusted Shares (represented by both existing certificates in board lots of 250 Adjusted Shares and new certificates in board lots of 4,000 Adjusted Shares) ends	4:00 p.m. on 17 March 2014, Monday
Refund cheques to be despatched in relation to wholly or partially unsuccessful applications for excess Rights Shares on or before	18 March 2014, Tuesday
Certificates for fully paid Rights Shares and Bonus Shares to be despatched on or before	18 March 2014, Tuesday
Commencement of dealings in fully-paid Rights Shares and Bonus Shares	9:00 a.m. on 19 March 2014, Wednesday
Last day of free exchange of existing certificates for the new certificates	19 March 2014, Wednesday
Designated broker ceases to stand in the market to provide matching service	4:00 p.m. on 31 March 2014, Monday

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 and the Bonus 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 Monday, 17 February 2014, at the following address:

Tricor Investor Services Limited at
26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, 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 and the Bonus 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 and the Bonus 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 and the Bonus Issue 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 and the Bonus 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 and the Bonus 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 and the Bonus Issue, subject to the results of enquiries made by the CAP Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, 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 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 Monday, 17 February 2014.

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 and the Bonus 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 extended for a period of 14 days such that the matching period commences from 9:00 a.m. on Tuesday, 25 February 2014, to Monday, 31 March 2014 (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 Tuesday, 18 February 2014, to Friday, 21 February 2014 (both dates inclusive). No transfer of CAP Shares will be registered during this period.

16. Status of the Rights Shares and the Bonus Shares

The Rights Shares and the Bonus 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 and the Bonus Shares. Holders of the Rights Shares and the Bonus 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 and the Bonus Shares. Dealings in the Rights Shares and the Bonus 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 and the Bonus Shares

Subject to fulfillment of the conditions of the Rights Issue and the Bonus Issue, share certificates for the Rights Shares and the Bonus Shares are expected to be sent on or before Tuesday, 18 March 2014, to those entitled thereto by ordinary post at their own risks. Share certificates will be issued for the fully-paid Rights Shares and the Bonus 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 Tuesday, 18 March 2014, by ordinary post to the applicants at their own risk.

19. Fractions of the Rights Shares and Bonus Shares

On the basis of provisional allotment of fifteen (15) 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.

Fractional entitlements to the Bonus Shares will not be allotted and will not be issued. All fraction of the Bonus Shares will be rounded down to the nearest whole number of Bonus Shares and aggregated and, if a premium (net of expenses) can be achieved, sold in the market. CAP will retain the proceeds from such sale(s) for its own benefit.

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) and the Bonus Shares to be issued and allotted pursuant to the Rights Issue and Bonus 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) and the Bonus Shares on the Stock Exchange, the Rights Shares (in both their nil-paid and fully-paid forms) and the Bonus Shares 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 and the Bonus Shares 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) and the Bonus Shares to be admitted into CCASS.

Dealings in the Rights Shares in both nil-paid and fully-paid forms and the Bonus Shares 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, Adjusted Shares and Rights Shares in Nil-Paid Form

The Rights Issue and the Bonus Issue are conditional upon the fulfillment of the conditions set out in the section headed “5. Conditions of the Rights Issue and the Bonus Issue” in this Part B of this joint announcement. In particular, the Rights Issue and the Bonus Issue are 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, the Rights Shares (in both nil-paid and fully-paid forms) and the Bonus Shares by no later than Wednesday, 26 February 2014, being the expected date of commencement of dealings in the Rights Shares in nil-paid form (or such other date as may be agreed between CAP and the Underwriters in writing); 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 and the Bonus Issue are not fulfilled or if the Underwriters exercise their right to terminate the Underwriting Agreement pursuant to the terms therein, the Rights Issue and the Bonus 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 and the Bonus Issue are fulfilled, and any dealings in the Rights Shares in their nil-paid form between Wednesday, 26 February 2014 and Wednesday, 5 March 2014 (both dates inclusive), bear the risk that the Rights Issue and the Bonus Issue may not become unconditional or may not proceed.

Any CAP Shareholders and potential investors contemplating dealing in CAP Shares, Adjusted Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

22. Previous Fund-Raising Exercise in the Prior 12-Month Period

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

Date of initial announcement	Description	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this joint announcement
25 October 2013	Placing of new shares	Approximately HK\$53.1 million	Approximately HK\$25 million for the future development of existing/new agricultural produce exchanges and the remaining balance of approximately HK\$28.1 million as general working capital of the CAP Group	Approximately HK\$7.8 million has been utilised for the future development of existing/new agricultural produce exchanges and approximately HK\$17.3 million has been utilised as general working capital of the CAP Group The remaining balance of approximately HK\$28 million will be utilised as intended

23. Implications under the Listing Rules

As the Rights Issue and the Bonus Issue will result in an increase in CAP's issued share capital by more than 50%, the Rights Issue and the Bonus Issue are 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 favor of the resolution relating to the Rights Issue and the Bonus 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 G of this joint announcement.

CAP has established the Independent Board Committee to advise the CAP Independent Shareholders as to whether the Rights Issue and the Bonus Issue are fair and reasonable and in the interests of CAP and the CAP Shareholders as a whole, and to advise the CAP Independent Shareholders on how to vote, taking into account the recommendations of the independent financial adviser. In this connection, CAP has appointed Nuada Limited as an independent financial adviser to advise the Independent Board Committee and the CAP Independent Shareholders as to whether the terms of the Rights Issue and the Bonus Issue are fair and reasonable.

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 694,612,174 CAP Shares, representing approximately 23.54% of the issued share capital of CAP.

On 4 December 2013, Onger Investments has granted the PNG Irrevocable Undertaking in favor of CAP under which it agreed, among other thing:

- (i) to subscribe, or procure its associates to subscribe, for 260,479,560 Rights Shares which comprise the full acceptance of its provisional entitlement;
- (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 260,479,560 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 63,000,000 Rights Shares; and
- (v) to procure that the EAF(s) for 63,000,000 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 EGM to approve, among others, the subscription for 260,479,560 Rights Shares comprising the Onger Investments’ provisional entitlement under the Rights Issue and the application for an additional 63,000,000 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, the Rights Issue and the Bonus Issue (other than condition (ix) referred to in the section headed “5. Conditions of the Rights Issue and the Bonus 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 and Mailful 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 63,000,000 Rights Shares for which it will have made an excess application pursuant to the terms of the PNG Irrevocable Undertaking, the direct and indirect interests of the PNG Group in the share capital of CAP immediately upon completion of the Rights Issue and the Bonus Issue will increase from approximately 23.54% to approximately 28.90%. Upon completion of the Rights Issue and the Bonus Issue: (i) assuming Onger Investments subscribes for its provisional entitlement under the Rights Issue in full in accordance with the terms of the PNG Irrevocable Undertaking but receives none of the 63,000,000 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\$4.5 million (before deduction of the relevant expenses incurred thereon); and (ii) assuming Onger Investments subscribes for its provisional entitlement under the Rights Issue in full in accordance with the terms of the PNG Irrevocable Undertaking and receives in full the 63,000,000 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\$4.5 million arising from the subscription for provisional entitlement) of approximately HK\$48.9 million (before deduction of necessary reasonable expenses) which is calculated: (a) on the basis of the total equity attributable to owners of CAP of approximately HK\$993.9 million for the six-month period ended 30 June 2013; (b) by reference to the placing of CAP Shares completed in November 2013 which generated net proceeds of approximately HK\$53.1 million; and (c) by reference to the Rights Issue and the Bonus Issue which are expected to generate net proceeds of approximately HK\$495.5 million. Such 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 and the Bonus Issue.

Based on the assumptions set out in this section, Onger Investments will pay a maximum aggregate amount of approximately HK\$150.4 million to subscribe in full for its provisional entitlement and for the 63,000,000 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 by the proceeds from the placing of PNG Shares completed in November 2013 and 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 and the Bonus Issue” in Part B of this joint announcement.

- (ii) Continuous profitable performance: The CAP Group has consecutively recorded profits since the financial year ended 31 December 2011 with profits attributable to the CAP Shareholders of: (a) approximately HK\$38.1 million for the six months ended 30 June 2013; (b) approximately HK\$145.7 million for the year ended 31 December 2012 and (c) approximately HK\$117.7 million for the year ended 31 December 2011.
- (iii) 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 63,000,000 Rights Shares for which it will have made an excess application pursuant to the PNG Irrevocable Undertaking, the PNG Group will have indirect maximum shareholding interest of up to approximately 28.90% in CAP upon completion of the Rights Issue and the Bonus 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.
- (iv) Subscription Price: Given that the Subscription Price represents: (a) a discount of approximately 89.71% to the adjusted closing price of HK\$4.52 per Adjusted Share, based on the closing price of HK\$0.113 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 31.21% to the theoretical ex-entitlement price of approximately HK\$0.676 per Adjusted Share after the Rights Issue (after taking into consideration of the Bonus Issue), based on the closing price of HK\$0.113 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 96.72% to the unaudited net asset value per Adjusted Share of approximately HK\$14.19 as at 30 June 2013 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$53.1 million from the placing of CAP Shares completed in November 2013, 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 average subscription price of HK\$0.436 against the net assets value of CAP of approximately HK\$1.23 per Adjusted Share upon the completion of the Rights Issue and the Bonus Issue which is based on the net asset value as at 30 June 2013 having considered the net proceeds from the placing of CAP Shares completed in November 2013 and the net proceeds from the Rights Issue.
- (v) The PNG Board believes that the Rights Issue and the Bonus 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 enjoy additional future return of CAP.
- (vi) Potential gain: Upon completion of the Rights Issue and the Bonus Issue, the PNG Group could potentially record a net gain of approximately HK\$48.9 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.
- (vii) Higher return on equity: Based on the profits attributable to the PNG Shareholders of approximately HK\$42.3 million for the year ended 31 March 2013 and the net asset value attributable to the PNG Shareholders of approximately HK\$659.3 million as at 31 March 2013, the return on equity of the PNG Group was approximately 6.42%. Based on the profit attributable to the CAP Shareholders of approximately HK\$145.7 million for the year ended 31 December 2012 and the net asset value attributable to the CAP Shareholders of approximately HK\$917.7 million as at 31 December 2012, the return on equity of the CAP Group of approximately 15.88% was much higher than that of the PNG Group.

The following information is extracted respectively from the unaudited interim results of CAP for the six months ended 30 June 2013 and the audited financial statements of CAP for the two financial years ended 31 December 2011 and 2012:

	For the six months ended 30 June 2013 (Unaudited) (HK\$'000)	For the financial year ended 31 December 2012 (Audited) (HK\$'000)	For the financial year ended 31 December 2011 (Audited) (HK\$'000)
Revenue	259,267	287,482	211,845
Profit before taxation	120,611	351,972	275,603
Profit for the period/year	59,280	216,484	215,437

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 63,000,000 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 EGM" in Part G 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 4 December 2013, WYT Underwriter entered into the Underwriting Agreement pursuant to which WYT Underwriter and WOG Underwriter agreed to underwrite the first 456,000,000 Underwritten Shares, of which each of WYT Underwriter and WOG Underwriter will take up an equal share. 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 and Mailful 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); and (ii) WYT Underwriter takes up 228,000,000 Rights Shares pursuant to the Underwriting Agreement, the direct and indirect interests of the WYT Group in the issued share capital of CAP immediately upon completion of the Rights Issue and the Bonus Issue will increase from nil to approximately 19.39%. In such circumstances, 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 approximately HK\$106.0 million to take up 228,000,000 Rights Shares pursuant to the Underwriting Agreement. The consideration will be fully satisfied in cash by the WYT Group's internal resources. WYT Underwriter will also receive approximately HK\$2.7 million as commission fee pursuant to the Underwriting Agreement.

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 and the Bonus 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 and the Bonus 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. In addition, the CAP Group has consecutively recorded profits since the financial year ended 31 December 2011. 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 89.71% to the adjusted closing price of HK\$4.52 per Adjusted Share, based on the closing price of HK\$0.113 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 31.21% to the theoretical ex-entitlement price of approximately HK\$0.676 per Adjusted Share after the Rights Issue (after taking into consideration of the Bonus Issue), based on the closing price of HK\$0.113 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 96.72% to the unaudited net asset value per Adjusted Share of approximately HK\$14.19 as at 30 June 2013 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$53.1 million from the placing of CAP Shares completed in November 2013. Accordingly, the WYT Board considers that the Rights Issue presents a valuable investment opportunity to the WYT Group; and (iv) a deep discount of the average subscription price of HK\$0.436 against the net assets value of CAP of approximately HK\$1.23 per Adjusted Share upon the completion of the Rights Issue and the Bonus Issue which is based on the net asset value as at 30 June 2013 having considered the net proceeds from the placing of CAP Shares completed in November 2013 and the net proceeds from the Rights Issue.

Based on the profit attributable to the WYT Shareholders of approximately HK\$148.4 million for the year ended 31 March 2013 and the net asset value attributable to the WYT Shareholders of approximately HK\$1,677.3 million as at 31 March 2013, the return on equity of the WYT Group was approximately 8.85%. Based on the profit attributable to the CAP Shareholders of approximately HK\$145.7 million for the year ended 31 December 2012 and the net asset value attributable to the CAP Shareholders of approximately HK\$917.7 million as at 31 December 2012, the return on equity of the CAP Group of approximately 15.88% was much higher than that of the WYT Group.

Taking into consideration the above reasons, the WYT Board considers that the terms of the Underwriting Agreement are fair and reasonable and 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 up to 228,000,000 Rights Shares (being half of the total Underwritten Shares that WYT Underwriter and WOG Underwriter have agreed to underwrite) 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 G of this joint announcement.

5. Possible Continuing Connected Transactions

As of the date of this joint announcement, WYT, through its wholly-owned subsidiary, held approximately 28.86% interest in PNG which, through its wholly-owned subsidiary, held approximately 23.54% interest in CAP. WYT is not a connected person of CAP.

On the basis that WYT Underwriter takes up 228,000,000 Rights Shares pursuant to the Underwriting Agreement, upon completion of the Rights Issue and the Bonus Issue, the WYT Group will be interested in 243,200,000 Adjusted Shares, representing approximately 19.39% 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: DISCLOSEABLE TRANSACTION OF WOG

IRREVOCABLE UNDERTAKING TO SUBSCRIBE FOR RIGHTS SHARES BY THE WOG GROUP

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

1. The WOG Irrevocable Undertaking

As at the date of this joint announcement, WOG, through its wholly-owned subsidiary, Mailful Investments, is interested in 1,100,000 CAP Shares, representing approximately 0.04% of the issued share capital of CAP. On 4 December 2013, Mailful Investments has granted the WOG Irrevocable Undertaking in favor of CAP under which it agreed, among other things:

- (i) to subscribe, or procure its associates to subscribe, for 412,500 Rights Shares which comprise the full acceptance of its provisional entitlement;
- (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; and
- (iii) to procure that its acceptance of the 412,500 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).

Completion of the transactions under the WOG Irrevocable Undertaking is conditional upon the conditions for the Capital Reorganisation, the Rights Issue and the Bonus Issue (other than condition (xi) referred to in the section headed “5. Conditions of the Rights Issue and the Bonus Issue” in Part B of this joint announcement) having been fulfilled.

2. The Underwriting Agreement

On 4 December 2013, WOG Underwriter entered into the Underwriting Agreement pursuant to which WOG Underwriter agreed to underwrite up to 228,000,000 Rights Shares (being half of the total Underwritten Shares that WYT Underwriter and WOG Underwriter have agreed to underwrite under the Underwriting Agreement). Please refer to the section headed “7. Principal Terms of the Underwriting Agreement” in Part B of this joint announcement.

3. Financial Impact on WOG of the WOG Irrevocable Undertaking and the Underwriting Agreement

Assuming: (i) Mailful Investments subscribes for its provisional entitlement under the Rights Issue in full in accordance with the terms of the WOG Irrevocable Undertaking; (ii) none of the Qualifying Shareholders (other than Onger Investments and Mailful 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); and (iii) WOG Underwriter takes up 228,000,000 Rights Shares pursuant to the Underwriting Agreement, the direct and indirect interests of the WOG Group in the issued share capital of CAP immediately upon completion of the Rights Issue and the Bonus Issue will increase from approximately 0.04% to approximately 19.43%. In such circumstances, the recognition of the WOG Group’s investment in CAP will change from financial assets at fair value through profit or loss to 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, the WOG Group will pay a maximum aggregate amount of approximately HK\$106.2 million to fully subscribe for its provisional entitlement under the Rights Issue pursuant to the WOG Irrevocable Undertaking and to take up 228,000,000 Rights Shares pursuant to the Underwriting Agreement. The consideration will be fully satisfied in cash by the WOG Group’s internal resources. WOG Underwriter will also receive approximately HK\$2.7 million as commission fee pursuant to the Underwriting Agreement.

4. Reasons for the WOG Irrevocable Undertaking and 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 and the Bonus Issue” in Part B of this joint announcement, the WOG Board believes that it is in the interests of CAP to implement the Rights Issue and the Bonus 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. In addition, the CAP Group has consecutively recorded profits since the financial year ended 31 December 2011. The WOG Irrevocable Undertaking is given in order to support and maintain the value of the WOG Group’s investment in CAP, and the entering into of the Underwriting Agreement may enable WOG to increase its shareholding in CAP, will ensure that the Rights Shares are fully subscribed for and may provide the WOG Group an opportunity to enjoy additional future return of CAP.

The WOG Board also considers the Subscription Price to be attractive in that it represents: (i) a discount of approximately 89.71% to the adjusted closing price of HK\$4.52 per Adjusted Share, based on the closing price of HK\$0.113 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 31.21% to the theoretical ex-entitlement price of approximately HK\$0.676 per Adjusted Share after the Rights Issue (after taking into consideration of the Bonus Issue), based on the closing price of HK\$0.113 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 96.72% to the unaudited net asset value per Adjusted Share of approximately HK\$14.19 as at 30 June 2013 as adjusted for the Capital Reorganisation and after taking into account of the net proceeds of approximately HK\$53.1 million from the placing of CAP Shares completed in November 2013; and (iv) a deep discount of the average subscription price of HK\$0.436 against the net assets value of CAP of approximately HK\$1.23 per Adjusted Share upon the completion of the Rights Issue and the Bonus Issue which is based on the net asset value as at 30 June 2013 having considered the net proceeds from the placing of CAP Shares completed in November 2013 and the net proceeds from the Rights Issue. Accordingly, the WOG Board considers that the Rights Issue is a valuable opportunity for the WOG Group to increase its shareholding in CAP.

Based on the profit attributable to the WOG Shareholders of approximately HK\$409.5 million for the year ended 31 March 2013 and the net asset value attributable to the WOG Shareholders of approximately HK\$3,567.5 million as at 31 March 2013, the return on equity of the WOG Group was approximately 11.48%. Based on the profit attributable to the CAP Shareholders of approximately HK\$145.7 million for the year ended 31 December 2012 and the net asset value attributable to the CAP Shareholders of approximately HK\$917.7 million as at 31 December 2012, the return on equity of the CAP Group of approximately 15.88% was higher than that of the WOG Group.

Taking into consideration the above reasons, the WOG Board considers that the terms of the WOG Irrevocable Undertaking and the Underwriting Agreement are fair and reasonable, and the subscription of Rights Shares by WOG pursuant to the terms of the WOG Irrevocable Undertaking and the underwriting of the Underwritten Shares by WOG pursuant to the Underwriting Agreement is in the interests of WOG and the shareholders of WOG as a whole.

5. Implications under the Listing Rules

As the applicable percentage ratio(s) (as defined in the Listing Rules) in respect of the subscription in full of the Mailful Investments' provisional entitlement under the Rights Issue pursuant to the WOG Irrevocable Undertaking and the underwriting of up to 228,000,000 Rights Shares (being half of the total Underwritten Shares that WYT Underwriter and WOG Underwriter have agreed to underwrite) pursuant to the Underwriting Agreement exceeds 5% but is less than 25%, they constitute a discloseable transaction for WOG under Chapter 14 of the Listing Rules and are subject to the notification and publication requirements under the Listing Rules.

6. Possible Continuing Connected Transactions

As at the date of this joint announcement, WOG, through its wholly-owned subsidiaries, held approximately 24.87% interest in WYT, approximately 17.03% interest in PNG and approximately 0.04% interest in CAP. WOG is not a connected person of CAP.

On the basis that: (i) Mailful Investments subscribes for its provisional entitlement under the Rights Issue in full in accordance with the terms of the WOG Irrevocable Undertaking; and (ii) WOG Underwriter takes up 228,000,000 Rights Shares pursuant to the Underwriting Agreement, upon completion of the Rights Issue and the Bonus Issue, the WOG Group will be interested in 243,667,500 Adjusted Shares, representing approximately 19.43% interest in CAP. On such basis, WOG will become a substantial shareholder and a connected person of CAP, and the ongoing transactions between the WOG 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 F: 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 WOG, WYT and PNG and their respective subsidiaries (including WOG Underwriter, WYT Underwriter, Onger Investments and Mailful Investments). It holds in aggregate 695,712,174 CAP Shares, representing approximately 23.58% 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.

WYT and WOG are substantial shareholders of PNG holding respectively approximately 28.86% and approximately 17.03% of the issued share capital and voting rights of PNG. WOG also holds 24.87% of the issued share capital and voting rights of WYT. Approximately 25.49% of the total issued share capital and voting rights in WOG is held in trust for the Tang's Family Trust, a discretionary trust which is founded by Mr. Tang Ching Ho, an executive director of WOG. Taking into account his interests as a founder of the Tang's Family Trust, Mr. Tang Ching Ho and his associates are taken to be interested in an aggregate of approximately 26.30% of the total issued share capital and voting rights of WOG. To the best knowledge and belief of the WOG Board, the WYT Board and the PNG Board, respectively, each of WOG, WYT and PNG does not have a controlling shareholder.

Under the Rights Issue, if no shareholder of CAP other than Onger Investments and Mailful Investments takes up any Rights Shares, the voting rights in CAP held by the Concert Group will increase from approximately 23.58% to approximately 67.72%. 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 the WOG Underwriter and WYT Underwriter, which is incapable of being waived. If the Whitewash Waiver is not granted, the Underwriting Agreement will not become unconditional and the Rights Issue and the Bonus 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 Underwriting Agreement, the PNG Irrevocable Undertaking, the WOG Irrevocable Undertaking 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 and the Bonus Issue or the Whitewash Waiver at the CAP SGM;
- (iii) save for the transactions contemplated under the Underwriting Agreement, 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 and the Bonus 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, Bonus 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 G: GENERAL MATTERS

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

A circular containing, among other things:

- (i) further details of the Capital Reorganisation, the change in board lot size, the Rights Issue and the Bonus Issue, the PNG Irrevocable Undertaking, the WOG Irrevocable Undertaking, the Underwriting Agreement and the Whitewash Waiver and the transactions contemplated thereunder;
- (ii) a letter of recommendation from the Independent Board Committee of CAP to the CAP Independent Shareholders in respect of the Rights Issue and the Bonus Issue and the Whitewash Waiver;
- (iii) a letter of advice from the independent financial adviser to the Independent Board Committee of CAP and the CAP Independent Shareholders on the Rights Issue and the Bonus Issue and the Whitewash Waiver; and
- (iv) a notice convening the CAP SGM,

will be despatched to the CAP Shareholders on or before Monday, 13 January 2014.

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 Rights Issue and the Bonus Issue; and
- (iii) 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 Rights Issue and the Bonus Issue, 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 Rights Issue and the Bonus Issue, the PNG Irrevocable Undertaking, the WOG Irrevocable Undertaking, the Underwriting Agreement and the Whitewash Waiver 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 EGM

A circular containing, among other things, further details of the PNG Irrevocable Undertaking and the transactions contemplated thereunder and a notice convening the PNG EGM, will be despatched to the PNG Shareholders on or before Tuesday, 14 January 2014.

The PNG EGM 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 323,479,560 Rights Shares under the Rights Issue pursuant to the PNG Irrevocable Undertaking and the transactions contemplated thereunder.

Other than WYT and WOG, no PNG Shareholder has any material 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 and WOG will be required to abstain from voting at the PNG EGM.

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 Tuesday, 14 January 2014.

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 228,000,000 Rights Shares, being half of the total Underwritten Shares that WYT Underwriter and WOG Underwriter have agreed to underwrite pursuant to the Underwriting Agreement and the transactions contemplated thereunder.

Other than WOG, 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 WOG 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 meat 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 H: RESUMPTION OF TRADING

1. Resumption of Trading of CAP Shares

At the request of CAP, trading in the CAP Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Thursday, 5 December 2013 pending the release of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading in the CAP Shares on the Stock Exchange with effect from 9:00 a.m. on Friday, 20 December 2013.

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 Thursday, 5 December 2013 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, 20 December 2013.

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 Thursday, 5 December 2013 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, 20 December 2013.

4. Resumption of Trading of WOG Shares

At the request of WOG, trading in the WOG Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on Thursday, 5 December 2013 pending the release of this joint announcement. Application has been made to the Stock Exchange for the resumption of trading in the WOG Shares on the Stock Exchange with effect from 9:00 a.m. on Friday, 20 December 2013.

DEFINITIONS

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

“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
“Bonus Issue”	the proposed issue of the Bonus Shares on the basis of one (1) Bonus Share for every fifteen (15) Rights Shares taken up under the Rights Issue
“Bonus Share(s)”	the Adjusted Shares to be allotted and issued pursuant to the Bonus Issue
“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 Rights Issue and the Bonus Issue, the Irrevocable Undertakings, the Underwriting Agreement 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, who are not involved in, or interested in, the Rights Issue and the Bonus Issue, the Underwriting Agreement, the PNG Irrevocable Undertaking and the WOG Irrevocable Undertaking
“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 Rights Issue and the Bonus Issue 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\$0.40 each to HK\$0.01 each and the issued share capital of CAP shall accordingly be reduced to the extent of HK\$0.39 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 Act”	Companies Act 1981 of Bermuda
“Concert Group”	means, as at the date of this joint announcement, PNG, WOG, WYT and parties acting in concert with any one of them, including their respective subsidiaries (including WOG Underwriter, WYT Underwriter, Onger Investments (the wholly-owned subsidiary of PNG that holds the CAP Shares) and Mailful Investments (the wholly-owned subsidiary of WOG 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\$0.40 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 and the Bonus 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 and the Bonus Issue 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 and the Bonus Issue) a connected person of CAP and it will not be deemed a connected person of CAP pursuant to Rule 14A.11(4) 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
“Irrevocable Undertakings”	the PNG Irrevocable Undertaking and the WOG Irrevocable Undertaking
“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”	4 December 2013, 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 Monday, 10 March 2014, 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 is a company incorporated in the British Virgin Islands which is principally engaged in investment holding
“Onger Investments”	Onger Investments Limited, a wholly-owned subsidiary of PNG and is 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 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 EGM”	the extraordinary general meeting of PNG to be convened and held to consider and approve, among other things, the subscription of up to 323,479,560 Rights Shares under the Rights Issue pursuant to the PNG Irrevocable Undertaking and the transactions contemplated thereunder
“PNG Group”	PNG and its subsidiaries
“PNG Irrevocable Undertaking”	an irrevocable undertaking dated 4 December 2013 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 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”	Monday, 24 February 2014, 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”	Friday, 21 February 2014, 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 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, 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)”	1,106,619,045 Adjusted Shares proposed to be offered to the Qualifying Shareholders for subscription on the basis of fifteen (15) 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 forty (40) 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\$0.40
“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 of HK\$0.465 per Rights Share
“subsidiaries”	has the meaning ascribed thereto under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriters”	WYT Underwriter, WOG Underwriter and Kingston

“Underwriting Agreement”	the underwriting agreement dated 4 December 2013 entered into between CAP, WYT, WOG and the Underwriters in relation to the Rights Issue
“Underwritten Shares”	all the Rights Shares in excess of the aggregate of: (i) 260,892,060 Rights Shares that will be provisionally allotted to and subscribed for by Onger Investments and Mailful Investments (or their respective associates) pursuant to the PNG Irrevocable Undertaking and the WOG Irrevocable Undertaking, respectively; and (ii) 63,000,000 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 the Concert Group pursuant to the PNG Irrevocable Undertaking, the WOG Irrevocable Undertaking and the Underwriting Agreement
“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 directors of WOG
“WOG Director(s)”	the director(s) of WOG
“WOG Group”	WOG and its subsidiaries
“WOG Irrevocable Undertaking”	an irrevocable undertaking dated 4 December 2013 under which Mailful Investments provided an irrevocable undertaking to CAP as described in the section headed “1. The WOG Irrevocable Undertaking” in Part E of this joint announcement
“WOG Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of WOG

“WOG Underwriter”	Huge Thrive Investments Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary 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 directors of WYT
“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
“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”	Ultimate Fame Holdings Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of WYT
“%”	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, 19 December 2013

* For identification purpose only

As at the date of this joint announcement, the CAP Board comprises Mr. Chan Chun Hong, Thomas, Mr. Wong Koon Kui, Lawrence, 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.

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. Yuen Chi Choi, 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.