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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in China Agri-Industries Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA AGRI-INDUSTRIES HOLDINGS LIMITED
中國糧油控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 606)

**GENERAL MANDATES TO ISSUE NEW SHARES AND
TO REPURCHASE SHARES,
AMENDMENTS TO THE SHARE OPTION SCHEME,
RE-ELECTION OF DIRECTORS,
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of China Agri-Industries Holdings Limited to be held at Four Seasons Grand Ballroom, Level 2, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Tuesday, 25 May 2010 at 10:00 a.m. (or any adjournment thereof) is set out on pages 18 to 22 of this circular. Whether or not you intend to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time for holding the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the annual general meeting or any adjourned meeting in person should you so wish.

Hong Kong, 22 April 2010

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DEFINITIONS

“Annual General Meeting”	annual general meeting of the Company to be held at Four Seasons Grand Ballroom, Level 2, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Tuesday, 25 May 2010 at 10:00 a.m., notice of which is set out on pages 18 to 22 of this circular
“Annual Report 2009”	the annual report of the Company for the year ended 31 December 2009
“Articles”	articles of association of the Company
“associate(s)”	as defined in the Listing Rules
“Board”	board of Directors (or a duly authorised committee thereof)
“China Foods”	China Foods Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Hong Kong Stock Exchange (Stock Code: 506), and which is a subsidiary of COFCO
“COFCO”	COFCO Corporation (中糧集團有限公司), a wholly state-owned company established in the PRC currently under the purview of the State-owned Assets Supervision and Administration Commission of the State Council of the PRC, the ultimate controlling shareholder of the Company and China Foods
“COFCO Group”	COFCO Corporation and its subsidiaries
“COFCO (HK)”	COFCO (Hong Kong) Limited (中糧集團(香港)有限公司), a company incorporated in Hong Kong with limited liability, a controlling shareholder of the Company and a directly wholly owned subsidiary of COFCO
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	China Agri-Industries Holdings Limited (Stock Code: 606), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company

DEFINITIONS

“Existing Scheme”	the existing share option scheme conditionally adopted by the Company on 12 January 2007 which became effective and unconditional upon listing of the shares on 21 March 2007
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	12 April 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information included herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option”	a right to subscribe for Shares granted pursuant to the Existing Scheme
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted at the Annual General Meeting to the Directors to exercise all the powers of the Company to repurchase Shares
“Scheme Amendment Proposal”	the proposal to amend the Existing Scheme as described in the letter from the Board in this circular under the heading “Amendments to the Existing Scheme” and Appendix II
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted at the Annual General Meeting to the Directors to exercise all the powers of the Company to issue, allot and otherwise deal with new Shares
“Shareholder(s)”	holder(s) of Shares
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Substantial Shareholder”	any person who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission
“HK\$”	Hong Kong dollars
“%”	per cent.



CHINA AGR-INDUSTRIES HOLDINGS LIMITED
中國糧油控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 606)

Chairman and Non-executive Director:
NING Gaoning

Executive Directors:
YU Xubo (*Managing Director*)
LU Jun (*Vice President*)
YUE Guojun (*Vice President*)

Non-executive Directors:
CHI Jingtao
MA Wangjun

Independent Non-executive Directors:
LAM Wai Hon, Ambrose
Victor YANG
Patrick Vincent VIZZONE

Registered office:
33rd Floor
Top Glory Tower
262 Gloucester Road
Causeway Bay
Hong Kong

22 April 2010

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATES TO ISSUE NEW SHARES AND
TO REPURCHASE SHARES,
AMENDMENTS TO THE EXISTING SCHEME,
RE-ELECTION OF DIRECTORS,
PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to make a decision on whether to vote for or against the ordinary resolutions to be proposed at the Annual General Meeting which is to be convened for the purposes of considering and, if thought fit, approving, among other things:

- (a) the granting of the Share Issue Mandate and Repurchase Mandate to the Directors to issue new Shares and repurchase Shares;

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- (b) the extension of the Share Issue Mandate;
- (c) the Scheme Amendment Proposal;
- (d) re-election of Directors; and
- (e) increase in authorised share capital.

A notice of the Annual General Meeting is set out on pages 18 to 22 of this circular.

2. ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND THE AUDITORS

The Annual Report 2009 incorporating, among other things, the audited consolidated financial statements and the reports of the Directors and auditors for the year ended 31 December 2009 will be sent together with this circular to the Shareholders on the same date. The audited consolidated financial statements have been reviewed by the audit committee of the Company.

3. FINAL DIVIDEND

The Board has recommended a final dividend of HK5.9 cents per Share to be payable on or around Friday, 25 June 2010 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 25 May 2010 subject to approval by the Shareholders at the Annual General Meeting. The register of shareholders will be closed from Monday, 24 May 2010 to Tuesday, 25 May 2010, both days inclusive, during which period no transfer of shares will be registered.

In order to qualify for entitlement to the proposed final dividend, all transfer documents accompanied by relevant share certificates must be lodged for registration with the Company's registrar, Tricor Progressive Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong before 4:00 p.m. on Thursday, 20 May 2010.

4. SHARE ISSUE MANDATE AND REPURCHASE MANDATE

According to Rule 13.36(2)(b) of the Listing Rules, the Directors may seek the approval of the Shareholders in general meeting for general mandates respectively to issue and repurchase Shares not exceeding the aggregate of 20% and 10%, respectively, of the existing issued share capital of the Company as at the date of passing the relevant resolution. At the last annual general meeting of the Company held on 9 June 2009, the Directors were granted general mandates respectively to issue and repurchase Shares. Such mandates will expire at the conclusion of the Annual General Meeting. The Directors now seek the approval of the Shareholders at the Annual General Meeting by way of passing ordinary resolutions for the granting of:

- (a) the Share Issue Mandate to allot, issue and deal with Shares up to a maximum nominal amount of 20% of the total nominal amount of the Shares in issue as at the date of passing of the relevant resolution; and

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- (b) the Repurchase Mandate to repurchase Shares on the Stock Exchange up to a maximum of nominal amount of 10% of total nominal amount of the Shares in issue as at the date of passing of the relevant resolution.

As at the Latest Practicable Date for determining such figures, the issued share capital of the Company comprised 3,860,281,839 Shares. Subject to the passing of the ordinary resolution approving the Share Issue Mandate and Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to issue up to 772,056,367 Shares representing 20% of the Company's issued share capital and repurchase up to 386,028,183 Shares representing 10% of the Company's issued share capital during the period up to the next annual general meeting of the Company following the Annual General Meeting or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the Share Issue Mandate and Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first. However, the Directors believe that Share repurchase under the Repurchase Mandate would not reduce the amount held by the public to less than 25% of the issued share capital of the Company.

The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I of this circular.

5. EXTENSION OF THE SHARE ISSUE MANDATE

A resolution as set out in resolution no. 7C of the notice of Annual General Meeting forming part of this circular will also be proposed at the Annual General Meeting authorising the Directors to extend the Share Issue Mandate by the addition of an amount representing the aggregate nominal amount of any Shares repurchased by the Company pursuant to the Share Repurchase Mandate provided that such extended amount shall not exceed 10% of the total nominal amount of Shares in issue on the date of passing of the resolution no. 7C of the notice of Annual General Meeting.

6. AMENDMENTS TO THE EXISTING SCHEME

The Directors propose to amend the Existing Scheme for the propose of amending the vesting schedule. The amended terms of the Existing Scheme comply with the relevant requirements of Chapter 17 of the Listing Rules.

Details of the proposed amendments to the Existing Scheme are set out in the Appendix II to this circular. A copy of the Existing Scheme, as amended by the Scheme Amendment Proposal as described in this circular, is available for inspection at the

LETTER FROM THE BOARD

Company's head office at 31/F., Top Glory Tower, 262 Gloucester Road, Causeway Bay, Hong Kong during normal business hours up to and including the date of the Annual General Meeting and will also be available for inspection at the Annual General Meeting.

7. RE-ELECTION OF DIRECTORS

In accordance with Article 106 of the Articles, at each annual general meeting, one-third of the directors or, if their number is not three or a multiple of three, the number which is nearest to and is at least one-third, shall retire from office by rotation at least once every three years. A retiring director shall be eligible for re-election. Accordingly, at the Annual General Meeting, Mr. YU Xubo, Mr. CHI Jingtao and Mr. LAM Wai Hon, Ambrose, shall retire and, being eligible, each of them has been recommended by the Board and has offered himself for re-election.

Details of the Directors who will retire and, being eligible, offer themselves for re-election at the Annual General Meeting are set out in Appendix III of this circular.

8. RE-APPOINTMENT OF AUDITORS

The Board (which agreed with the recommendation of the audit committee of the Company) recommended that, subject to the approval of Shareholders at the Annual General Meeting, Ernst & Young be re-appointed as the auditors of the Company for the year of 2010.

9. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$400,000,000 divided into 4,000,000,000 Shares of HK\$0.10 each. In order to facilitate future expansion and growth of the Group, the Board proposes to increase the authorised share capital of the Company from HK\$400,000,000 divided into 4,000,000,000 Shares to HK\$1,000,000,000 divided into 10,000,000,000 Shares by creation of an additional HK\$600,000,000 divided into 6,000,000,000 Shares ranking *pari passu* in all respects with the existing issued and unissued Shares. The increase in the authorised share capital of the company is conditional upon the passing of an ordinary resolution by the Shareholders at the Annual General Meeting.

10. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

LETTER FROM THE BOARD

11. ANNUAL GENERAL MEETING

The notice of Annual General Meeting is set out on pages 18 to 22 of this circular. A form of proxy for use at the Annual General Meeting is enclosed. Whether you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the share registrar and transfer office of the Company, Tricor Progressive Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time limit fixed for holding the Annual General Meeting. Completion and return of the form of proxy to the Company will not preclude you from attending, and voting at, the Annual General Meeting in person should you so wish. Votes for all resolution(s) at the Annual General Meeting shall be taken by way of poll.

12. RECOMMENDATION

The Directors consider that the adoption of the audited consolidated financial statements and the reports of the Directors and the auditors, the declaration of final dividend, the granting of the Share Issue Mandate, the Repurchase Mandate, the extension of the Share Issue Mandate, the Scheme Amendment Proposal, re-election of the Directors, re-appointment of the auditors and the increase in authorized share capital of the Company are in the interests of and for the benefit of the Company and the Shareholders as a whole, and accordingly the Directors recommend you to vote in favour of these resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Ning Gaoning
Chairman

The following is an explanatory note required to be sent to the Shareholders under the Listing Rules in connection with the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,860,281,839 Shares. Subject to the passing of the ordinary resolution approving the Share Issue Mandate and Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to issue up to 772,056,367 Shares representing 20% of the Company's issued share capital and repurchase up to 386,028,183 Shares representing 10% of the Company's issued share capital during the period up to the next annual general meeting of the Company following the Annual General Meeting or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the Share Issue Mandate and Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

REASONS FOR REPURCHASE

Repurchases of Shares will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets of the Company and/or earnings and/or dividend per Share.

FUNDING OF REPURCHASE

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow and/or working capital facilities. Any repurchase will be made out of funds of the Company legally permitted to be utilised in this connection in accordance with its Articles and the laws of Hong Kong, including profits otherwise available for distribution.

Under the laws of Hong Kong, repurchases may only be effected out of the capital paid up on the repurchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account.

In the event that the Repurchase Mandate is exercised in full, there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2009). However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors, and to the best of their knowledge, having made all reasonable enquiries, none of their associates, has any present intention, if the Repurchase Mandate is approved by Shareholders and exercised, to sell any Share to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell any Share to the Company, or that he has undertaken not to sell any Share held by him to the Company, in the event that the Repurchase Mandate is granted by the Shareholders at the Annual General Meeting and exercised.

SHARE REPURCHASE MADE BY THE COMPANY

There has been no repurchase of Shares by the Company during the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and all the applicable laws of Hong Kong.

TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

For the purpose of determining the relevant figures, as at the Latest Practicable Date, COFCO (HK), together with its wholly owned subsidiaries COFCO (BVI) No. 108 Limited and Wide Smart Holdings Limited ("Wide Smart"), hold an aggregate of 2,336,314,814 Shares representing approximately 60.52% of the entire issued Shares of the Company. Assuming the Repurchase Mandate is exercised in full and there are no new Shares issued by the Company, the shareholding of COFCO (HK) and parties that might be considered to be acting in concert with it, would be increased to 67.25% of the entire issued Shares of the Company. The Directors are not aware of any Shareholder, or any group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate.

MARKET PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during the previous 12 months up to the Latest Practicable Date were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2009		
April	4.49	3.74
May	5.50	4.03
June	5.83	4.72
July	5.90	4.89
August	5.82	4.94
September	7.26	5.14
October	8.56	6.61
November	9.90	7.27
December	10.96	8.92
2010		
January	12.94	10.02
February	11.80	9.82
March	11.44	10.22
April (up to the Latest Practicable Date)	11.10	10.52

SHAREHOLDERS' APPROVAL

All repurchases of Shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval in relation to a specific transaction.

This Appendix II sets out the proposed amendments to the Existing Scheme.

VESTING SCHEDULE UNDER THE EXISTING SCHEME

Under Clause 7.3 of the Existing Scheme, an Option shall be subject to the following vesting schedule:

Periods	Percentage of an Option which may be exercised
Upon and after the second anniversary of the grant but no later than the third anniversary of the grant	33%
Upon and after the third anniversary of the grant but no later than the fourth anniversary of the grant	67%
Upon and after the fourth anniversary of the grant	100%

VESTING SCHEDULE UNDER THE SCHEME AMENDMENT PROPOSAL

It is proposed to amend the vesting schedule contemplated under Clause 7.3 of the Existing Scheme as follows:

Periods	Percentage of Option exercisable
Upon and after the second anniversary of the grant but no later than the third anniversary of the grant	20%
Upon and after the third anniversary of the grant but no later than the fourth anniversary of the grant	40%
Upon and after the fourth anniversary of the grant but no later than the fifth anniversary of the grant	60%
Upon and after the fifth anniversary of the grant but no later than the sixth anniversary of the grant	80%
Upon and after the sixth anniversary of the grant but no later than the seventh anniversary of the grant	100%

The following are details of the Directors who will retire and, being eligible, offer themselves for re-election at the Annual General Meeting.

MANAGING DIRECTOR AND EXECUTIVE DIRECTOR

YU Xubo

Mr. YU Xubo, aged 44, was appointed as an executive Director and the managing director of the Company in January 2007. Mr. Yu joined COFCO Group in 1988, and he has been the president of COFCO Corporation since April 2007. He has held various other positions in the COFCO Group including general manager of COFCO Futures Co., Ltd. (中糧期貨經紀有限公司) and vice president of COFCO Corporation. He was executive director of COFCO International Co., Limited (currently China Foods) from January 2006 to March 2007. Mr. Yu is the Chairman of COFCO Meat Investment Co. Ltd. and COFCO Coca-Cola Beverages Ltd. and a non-executive director of China Mengniu Dairy Company Limited. He is also a director of Wide Smart, COFCO (BVI) No. 108 Limited and COFCO (HK), all of which are Substantial Shareholders of the Company.

Mr. Yu holds a Bachelor's degree in Economics from the University of International Business and Economics in Beijing and an Executive Master of Business Administration degree from China Europe International Business School in Shanghai.

As at the Latest Practicable Date, Mr. Yu was interested, by way of holding a long position, in 700,000 underlying shares of the Company pursuant to share options granted to Directors under a share option scheme of the Company.

Saved as disclosed herein, Mr. Yu was not interested nor deemed to be interested in any Share, underlying share or debenture of the Company and its associated corporations within the meaning of Part XV of the SFO.

There is a service agreement entered into between the Company and Mr. Yu. Under the service agreement with the Company, the initial term is for three years commencing on 16 February 2007 which has been renewed for another three years with effect from 16 February 2010 and continuing thereafter until terminated by not less than three months' written notice served by either party. The length or proposed length of service with the Company will be renewed year by year subject to the Articles. Mr. Yu is currently entitled to a remuneration at a rate of HK\$2,000,000 per annum from the Company. In addition, Mr. Yu was entitled to a year-end bonus, benefits in kind and retirement contributions from the Company subject to recommendation and approval by the remuneration committee. The emoluments of Mr. Yu are determined by the remuneration committee of the Company with reference to market practice, his performance and contribution to the Group and also the terms of reference of the remuneration committee adopted by the Company. The amount of Mr. Yu's emoluments for the year 2009 is specified in the Company's Annual Report 2009. Except for being a Director, Mr. Yu is also a director of certain Group members.

Mr. Yu does not have any relationship with any Director, senior management or substantial shareholder or controlling shareholder of the Company. There is no other position held with the Company and other members of the Company's group. Save as disclosed above, he has no other directorships in other listed companies in the last three years.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirement of Rule 13.51(2)(h)-(v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

NON-EXECUTIVE DIRECTOR

CHI Jingtao

Mr. CHI Jingtao, aged 47, was appointed as a non-executive Director of the Company in January 2007. Mr. Chi joined COFCO Group in August 2003. He has been COFCO Corporation's head of human resources since October 2004. From June 1993 until March 2003, Mr. Chi held various positions in China Minmetals Corporation (中國五礦集團公司) (formerly known as China National Metals & Minerals Import & Export Corporation (中國五金礦產進出口總公司)), including his position as general manager of human resources. Mr. Chi holds a Bachelor's degree in Engineering from the Academy of Armored Forces Engineering in Beijing and an Executive Master of Business Administration degree from the University of International Business and Economics in Beijing.

There is an appointment letter issued by the Company to Mr. Chi. Mr. Chi is entitled to a remuneration at a rate of HK\$100,000 per annum from the Company. The emoluments of Mr. Chi are determined by the Board with reference to the salaries paid by other listed companies in Hong Kong to non-executive directors and also their positions held in any committee of the Company. The amount of Mr. Chi's emoluments for the year 2009 is specified in the Company's Annual Report 2009. Under the appointment letter, the term is three years commencing on 16 February 2007 subject to the terms of the Articles and has been renewed for another three years with effect from 16 February 2010. Mr. Chi's appointment may be terminated by giving not less than three months' prior written notice by either party.

As at the Latest Practicable Date, Mr. Chi was interested, by way of holding a long position, in 480,000 underlying shares of the Company pursuant to share options granted to Directors under a share option scheme of the Company. Saved as disclosed herein, Mr. Chi was not interested nor deemed to be interested in any Share, underlying share or debenture of the Company and its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chi does not have any relationship with any Director, senior management or substantial shareholder or controlling shareholder of the Company and he has no other directorships in other listed companies in the last three years.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirement of Rule 13.51(2)(h)-(v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

LAM Wai Hon, Ambrose

Mr. LAM Wai Hon, Ambrose, aged 56, was appointed as an independent non-executive Director of the Company in January 2007. Mr. Lam is a fellow member of the Institute of Chartered Accountants in England and Wales and a member of Hong Kong Institute of Certified Public Accountants. He holds a Bachelor of Arts (Honours) degree from University of Newcastle Upon Tyne in England. Mr. Lam is a Director and a founder of Access Capital Limited. He has over two decades of experience in corporate finance and advisory transactions in investment banking institutions.

Prior to establishing Access Capital Limited in 2000, Mr. Lam was the managing director and head of Global Investment Banking for Greater China of Deutsche Bank AG (Hong Kong). He was also the managing director and head of Greater China Investment Banking of the Bankers Trust Company, and the managing director of Yuanta Securities (Hong Kong) Company Limited. Mr. Lam started his investment banking career with Kleinwort Benson Group (in London and Hong Kong) before joining Standard Chartered Asia Limited in Hong Kong where he held the position of managing director in corporate finance. Mr. Lam is also a director of Hong Kong Professional Consultants Association Limited and an independent non-executive director of Shenzhen Expressway Company Limited (a listed company).

As at the Latest Practicable Date, Mr. Lam was not interested in any Shares and was not interested nor deemed to be interested in any share, underlying share or debenture of the Company and its associated corporations with the meaning of Part XV of the SFO.

There is an appointment letter issued by the Company to Mr. Lam. Mr. Lam is entitled to remuneration at a rate of HK\$300,000 per annum from the Company. The emoluments of Mr. Lam are determined by the Board with reference to the salaries paid by other listed companies in Hong Kong to non-executive directors and also their positions held in any committee of the Company. In addition, Mr. Lam is entitled to an additional fee of HK\$5,000 for each extra meeting or written resolution (other than the statutory meetings or written resolutions (as the case may be, as required under the Listing Rules or the Companies Ordinance) which require Mr. Lam's attendance, undertaking or participation, if in relation to notifiable transactions (as defined in Chapter 14 of the Listing Rules), connected transactions (as defined in Chapter 14A of the Listing Rules), any material matter or event discloseable under Chapter 13 of the Listing Rules or transactions falling under the Takeovers Code. The amount of Mr. Lam's emoluments for the year 2009 is specified in the Company's Annual Report 2009. Under the appointment letter, the term is three years commencing on 16 February 2007 subject to the terms of the Articles and has been renewed for another three years with effect from 16 February 2010. Mr. Lam's appointment may be terminated on three months' prior written notice by either party.

Mr. Lam does not have any relationship with any Director, senior management or Substantial Shareholder or controlling shareholder of the Company. There is no other position held with the Company and other members of the Company's group. Save as disclosed above, he has no other directorships in other listed companies in the last three years. The Company has received annual written confirmation from Mr. Lam confirming his independence in accordance with rule 3.13 of the Listing Rules. The Board has assessed his independence and concluded that Mr. Lam is independent within the definition of the Listing Rules.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirement of Rule 13.51(2)(h)-(v) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

At the Annual General Meeting, a poll may, pursuant to the Articles, be demanded:

- (a) by the chairman of such meeting; or
- (b) by not less than three members having the right to vote at the meeting; or
- (c) by a member or members present in person or by proxy, representing not less than 10% of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all Shares conferring that right.



CHINA AGRI-INDUSTRIES HOLDINGS LIMITED
中國糧油控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 606)

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of China Agri-Industries Holdings Limited (the “Company”) will be held at Four Seasons Grand Ballroom, Level 2, Four Seasons Hotel Hong Kong, 8 Finance Street, Central, Hong Kong on Tuesday, 25 May 2010 at 10:00 a.m. for the following purposes:

As ordinary business:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2009.
2. To approve a final dividend of HK5.9 cents per share for the year ended 31 December 2009.
3. To approve the Scheme Amendment Proposal (as defined in the Company’s circular dated 22 April 2010), and any one or more of the directors of the Company be and are hereby authorized to execute and deliver such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he or they may consider necessary or desirable for the purpose of giving effect to the Scheme Amendment Proposal.
4. (a) (i) To re-elect Mr. YU Xubo as an executive director and the managing director of the Company;
(ii) To re-elect Mr. CHI Jingtao as a non-executive director of the Company;
(iii) To re-elect Mr. LAM Wai Hon, Ambrose as an independent non-executive director of the Company; and
(b) To authorise the board of directors of the Company to fix the above executive director ‘s and non-executive directors’ remuneration.
5. To re-appoint auditors and authorise the board of directors of the Company to fix their remunerations.

NOTICE OF ANNUAL GENERAL MEETING

As special business:

6. To consider and, if thought fit, approve that the authorised share capital of the Company be increased from HK\$400,000,000 divided into 4,000,000,000 shares to HK\$1,000,000,000 divided into 10,000,000,000 shares by creation of an additional HK\$600,000,000 divided into 6,000,000,000 shares ranking pari passu in all respects with the existing issued and unissued shares.
7. To consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

A. "THAT:

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares, options, warrants or similar rights to subscribe for any shares in the Company, and to make and grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make and grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to the shares of the Company issued as a result of a Rights Issue (as defined in paragraph (d) of this resolution) or pursuant to the exercise of options under any existing share option scheme of the Company or similar arrangement or any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the Company's articles of association, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the end of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law of Hong Kong to be held;
- (iii) revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares in the capital of the Company open for a period fixed by the directors of the Company to the holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).”

B. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph (a) of this resolution during the Relevant Period

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (c) for the purposes of this resolution the expression “Relevant Period” shall have the same meaning as assigned to it under ordinary resolution numbered 7A(d) in the notice of annual general meeting of which this resolution forms part.”

C. “**THAT:**

conditional upon resolutions numbered 7A and 7B of the notice of annual general meeting of which this resolution forms part being passed, the aggregate nominal amount of shares in the capital of the Company which is repurchased by the Company under the authority granted to the directors of the Company as mentioned in such resolution numbered 7B shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such resolution numbered 7A, provided that the amount of share capital repurchased by the Company shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this resolution.”

By Order of the Board
CHINA AGRI-INDUSTRIES HOLDINGS LIMITED
Yu Xubo
Managing Director

Hong Kong, 22 April 2010

Notes:

1. The register of members of the Company will be closed from Monday, 24 May 2010 to Tuesday, 25 May 2010, both dates inclusive and during which no transfers of shares will be registered. In order to qualify for attendance and voting at the AGM, all transfer documents should be lodged for registration with the share registrar and transfer office of the Company, Tricor Progressive Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong by 4:00 p.m. on Thursday, 20 May 2010.
2. The resolutions set out in this Notice of AGM will be voted on by poll.
3. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
4. A form of proxy is enclosed. To be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the share registrar and transfer office of the Company, Tricor Progressive Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment hereof.

NOTICE OF ANNUAL GENERAL MEETING

5. The explanatory statement required by the Listing Rules of the Stock Exchange in connection with the repurchase mandate is despatched to shareholders together with this notice.
6. Where there are joint holders of any share, any one of such holders may vote at the AGM, either in person or by proxy, in respect of such shares as if he were solely entitled to vote, but if more than one of such joint holders are present at the AGM in person or by proxy, the person so present whose name stands first in the register of members of the Company in respect of such share shall alone be entitled to vote in respect of it.
7. Completion and return of the form of proxy will not preclude a member from attending the AGM and voting in person at the AGM or any adjourned meeting if he so desires. If a member attends the AGM after having deposited the form of proxy, his form of proxy will be deemed to have been revoked.

As at the date of this notice, the Board comprises: Mr. NING Gaoning as a non-executive director and chairman of the Board, Mr. YU Xubo, Mr. LU Jun and Mr. YUE Guojun as executive directors; Mr. CHI Jingtao and Mr. MA Wangjun as non-executive directors; and Mr. LAM Wai Hon, Ambrose, Mr. Victor YANG and Mr. Patrick Vincent VIZZONE as independent non-executive directors.