

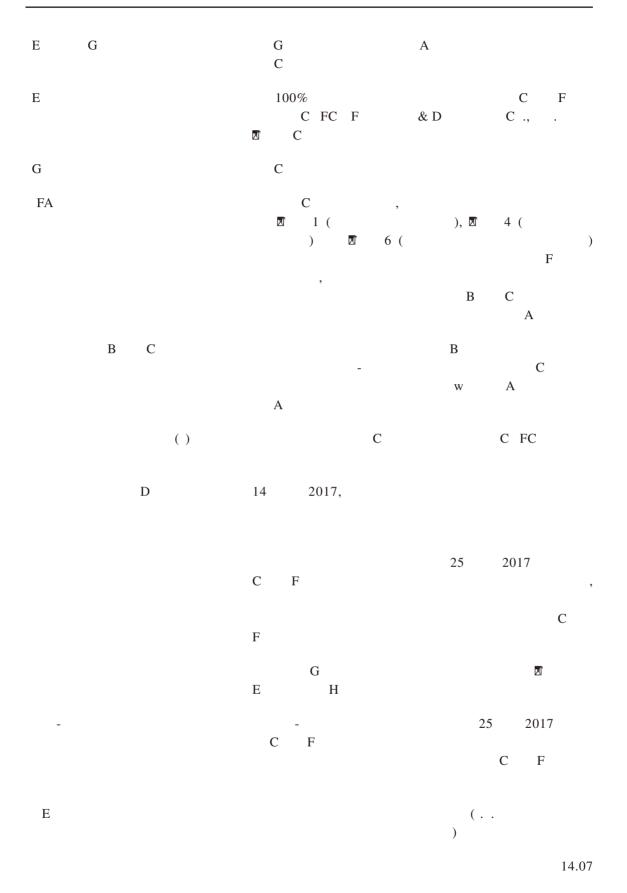
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In this circular, unless the context otherwise requires, the following expressions have the following meanings:

Α	С	Е		
А		25	2017	W



2

DEFINITIONS

С	, C
	CFCFH, B W-W C
⊠ C	w - w C (• W z 4 \ ¢ ¥•') w C FC ⊠ C 25 2017 F (E W ~) B
F (EW~) B 🗷	E (EW [~]) B B
В	, w C
F	F (C 571 w H)
()	() C
()	
E	E H
Ø B	, (
	(G), , , , , , ,
	CFCFF&&DC.,.(• EW~.ÜVÞ"®!), C
	$ \begin{array}{cccc} F & (EW~) \\ B & \Box & C FC & C \\ $
A A	F (E W~)B ⊠ w C FC C 25 2017
	CFCF & DC., . (•. Ü
	VÞ"®!), C w -w C F



X			w ,	, (1)	
А	А	, (2)		B C	W
			, (3)	FA	
	B C			, (4)	
EG					
. THE AG	GREEMENT				

2.

N)	А	w :

Date

25 2017

Parties

: CFCF H

: C FC F & D C ., .

Subject Matter

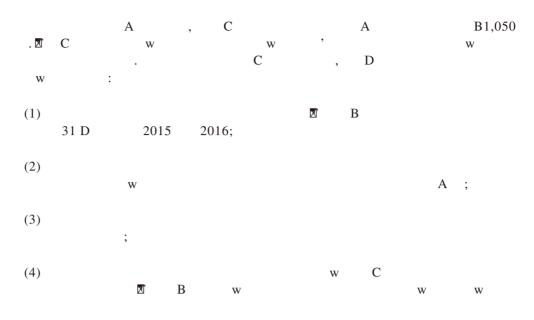
		А		,							
					Е			N.	С		
С	,		С	W		W	- W			С	

w C :

Before the Completion

	COFCO		
the Compa	ny		
		Г	arget Company

Consideration



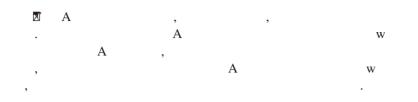
(6) 🗹 D w A A

Pa ment

- C C B1,050 W w . X B315 30% (С) W W , w , w А . 🛛 B315
- 31 2017.
 - Image: Weight of the second second
 - , ; (2) B315 (30% C) , :

 - (2) 🛛 🗖 C A w ;
 - (3) 🛛 -A ()
 - w w;
 - $\begin{array}{ccccc} (4) & \blacksquare & \\ & & C & F & C & A & ; \end{array}$
 - (5) 🛛 CFC A ;
 - (6) 2 A 2 C . 2 C w .
 - A D , (1) (5)

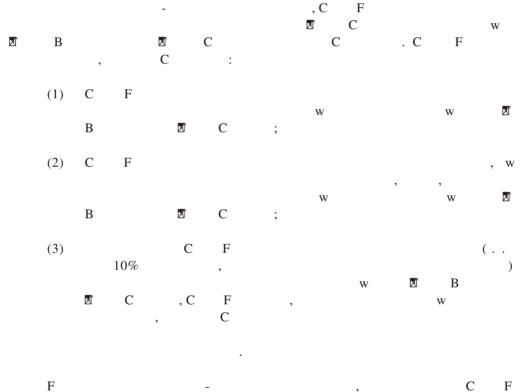
Termination



3. UNDERTAKINGS BY CHINA FOODS

C F () - () 25 2017.

(i) Non-competition Undertaking



CF;, CF ()w (50%) , , , () 50% , w , , , ()

(ii) Letter of Undertaking

, , , , , , , .

4. RELEVANT (ØFORTUNE (EW[~]) BRAND TRADEMARKS

C FC X С С , C FC C FC X w (E W ~) B F X D C W : (1) C FC X С X В ; (2)W C FC X В W X F (EW~)B X w C FC X С w : (1) 0.02% X) (F (EW~)B / X X С , , (2) X C FC . W X W С X . X X С 25 2017 31 D 2020. , C FC X С W W X С X С The Trademarks Option Agreement С , C FC w С W F (EW~)B X : (1)

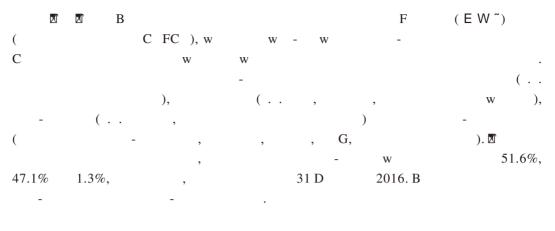
The Registered Trademark License Contract

X С (С w), C FC F (EW~) В X С ; C FC С X В CFC, С (EW~) C FC F

B Z C .

(2)

(iii) Product overvie₩



ыî	В	,	87%		W	
F		(EW~)		98%		W
	-			31 D	2016.	

(iv) Distribution channels

С , , ₫6 ⊠.6.

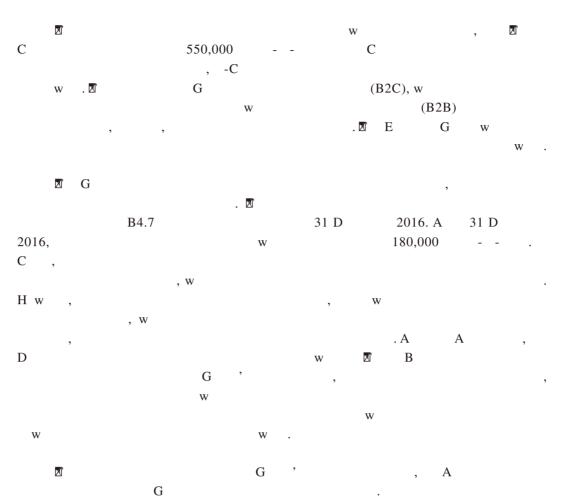
(v) Financial information

		W		C C	
C B	А	31 D 31 D	w 2015 2016 w	2016. ⊠ , B42,739,000.	X B X
				For the ear ended 31 December 2016 (approximatel RMB thousand)	For the ear ended 31 December 2015 (approximatel RMB thousand)
	G			9,279,253 1,041,438	8,199,298 1,003,358
	С	Z		80,055	93,341
	С	Ø		80,055	93,341
	Note:	<u>کا</u>	Ø B	31 D w	2015 2016 w

(vi) Emplo ees

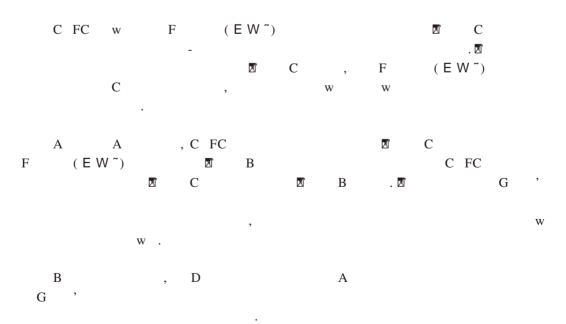
- . E

,



E tensive sales network nation wide

Right to use the Brotune (EW[~]) brand



7. GENERAL INFORMATION ON THE PARTIES



w - w C

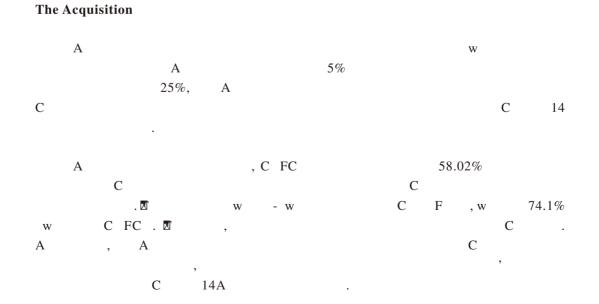
China Foods

C F H - (: 506). , w, , -

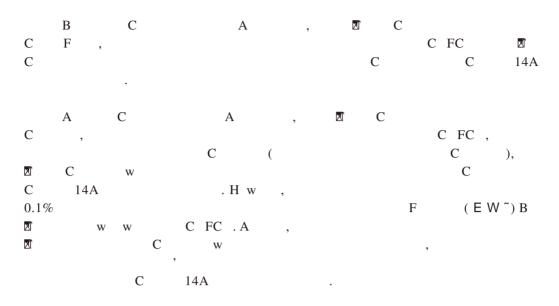
The Vendor



8. LISTING RULES IMPLICATIONS



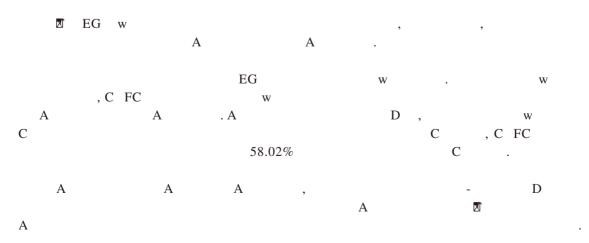
Registered Trademark License Contract



Trademarks Option Agreement

С		C A	14A.24(2),) w	Ø			C FC (C	
			14A.79(2), w		,			,
Ø	, . А	Ø	N	w	C FC C 0.1%	,	,	,
	С	, C , 14A	W		,			

9. EXTRAORDINARY GENERAL MEETING



А	EG	C B	, B3, H	G
Н , 50	, 🛛	, w , H	F , 7	2017
10:00	45 46			
		EG (),
		W		
		,	С,	22,
H w C ,183	, E , H	I		



The following is the text of a letter of advice from Optima Capital Limited to the Independent Board Committee and the independent shareholders of the Compan, which has been prepared for the purpose of inclusion in this circular.

	1501, 15 H	F
1 C		
С		
Н		
20	2017	

To: The Independent Board Committee and the independent shareholders of the Compan

D

DISCLOSEABLE AND CONNECTED TRANSACTION

INTRODUCTION

,

В	С									w		А	
					. D			А					
С		20	2017 (<	Circ	ular),	W			. [X	
									С				W
	25		2017, C							(
W	- W			С)		FC F		& D		С.,	. (
		W	- W				С	F)		А		,
W												E	,
						X	(2		С			B1,050
	,												
	А						()	
А			5%										25%,
А								С			14	4.06	
		,						W		74.1%		C,w	
		,		С						58.0%		,	
С	. A		,							С			
e	A		,							C	С		
14A.2											C		
177.2	,					C	1	144		,			
						C	-	14A			•		

X В С , Н,А,. D X , . С w А W А С G W w В С С W А . A W

w ww C , , , , .

BASIS OF OUR OPINION

, W W С С 31 А F , 2015 (FY2015) 2016 (FY2016), D B F 2015 F 2016, X С . D , , G D W , W .

> w. , w , G **Z** C .

PRINCIPAL FACTORS AND REASONS CONSIDERED

, w w

A. INFORMATION ON THE GROUP

1. Principal business of the Group

🛛 G , : W () . 🛛 G , (, F (E[),), **Upstream Oilseeds Processing Business**); $(\mathbb{R}\mathbb{R})$ G (€)(() W), (W G), (**Biochemical and** w (**Biofuel Business**); () **Rice Business**); (() Wheat Processing (**Business**); () **Brewing Materials Business**). (X G W С F (**China Foods** С F 2016, Group) 2007 , w C. 🛛 W , , G В G .

2. Financial performance of the Group

Η

	W		G
F 2015	F 2016	С	F 2015
F 2016 (FY2016 Annual Report):		

	FY HK\$' m	2 016 illion	FY2015 <i>HK</i> \$' million
		9,163	82,548
Upstream Oilseeds Processing Business Biochemical and Biofuel Business),434 1,526	41,053 14,622
Rice Business		9,196	9,986
Wheat Processing Business		3,946	8,528
Brewing Materials Business		2,685	2,617
Corporate and others		5,376	5,742
G	(5,243	4,286
		1,530	1,675
	(6	5,284)	(6,177)
		296	162
		(253)	(323)
/()		1,532	(377)
/() w			
С		1,419	(333)
E $/($ $) (EPS) (HK$)$	(0.270	(0.063)
🗷 G ' F 2016 F 2015 w			
B, G.D	56.6%		49.7%
G (B B , G	B)	8.0%	21.2%
F 2015.	F 2016 w		
	В		22.9%
\$41,053 H \$50,434			
W .	G		
G'w		v w	
G ,		,	
			F 2016. 🛙
В		G	,
D A	W	2	
G	•		

А	F 2016 A	, G '	W
	5.2%	7.0% w w	
		F 2016.	
В			45.7%
,	G		w C
	Н \$333	F 2015	w C
	H \$1,419	F 2016. 🗷 E	G F 2016 w
	Н \$0.270.		

3. Financial position of the Group

W				G	31 D	2016
F 2016 A		:				
						As at
						31 December
						2016
						HK\$' million
Non-current assets						28,576
,						21,790
-						6,786
Current assets						43,550
ourient assets						17,887
С						7,586
A						2,903
						15,174
Current liabilities						39,193
-		W				21,594
А						3,308
						14,291
Non-current liabilities						2,621
-		W				1,596
-						1,025
Total equity						30,312
E		С				26,249
E	W	C	(NAV)	1		4,063
-						4,005
A (<i>HK\$</i>)						5.0

А	31	D	2016	,				G	w ()
	,					Н \$21,	790	; ()	
		H \$17	,887	; ()				Н \$7,586
	В				W	С	F 20)16	
G		31	D	2016,			G	W	
2.0%.									
	G	,		W					-
-				W		Н	\$23,190	. 🛛	
, w						<	-		
W)	A , w
		59.2%	W		C	ì			
		G					G	31 D	2016
W		19	.4%.						
	А			31 D	2016 w		Н \$	5.00	
		G					W		С
F 2016			A w		5.4%				

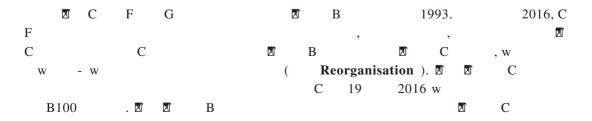
B. INFORMATION ON CHINA FOODS

C C) 506). A	F		C FC	(w E F	- w H F 2016,	(C : :
()	C	, -C C	;	С	C -C	15	,
()		, W	;	W	w	G w	(— Ì)
()	В	-).	-	, ,	G,	(Ø

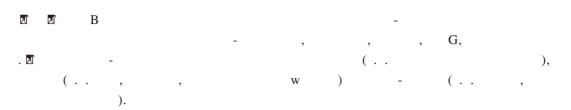
C. INFORMATION ON THE TARGET COMPANY AND THE TARGET BUSINESS

1. The Target Compan and the Target Business

.



Products



	D D B		F (EW~)B
N.	1993. C ,		,
	F (EW~)B	. 25	2017,
	, 🗹 C	C FC	
С	w C FC	X C	
F	(EW~)B	(Licence)	
	× T	C 31 D	2020. C FC
		C w	
С	W	C FC	
	⊠ C	⊠ B .	
	-	5	
		F	(EW~)B
С	, C FC w	X	C w
С	C FC	F (I	E W ~) B 🛛
	() w		X C
	; ()	C FC	С
X	В	C FC ,	

The Relevant Fortune (EW[~]) Brand Trademarks

Distribution network

		W	X	В		, w		550,000
		С					, -C	1
,	W					, .		

.

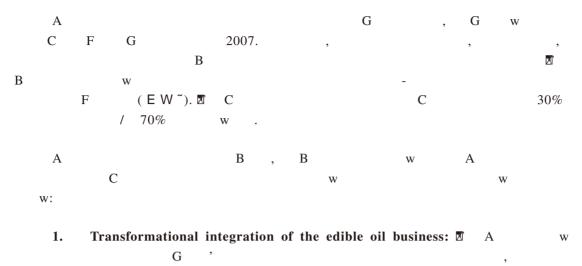
C C	A A C B , w - w Z C	C w 3	, C.⊠ 31 D	C , w 2016:	w C
	Class of markets	n	nber of narkets entified	Number of markets ₩here the Target Compan has presence through its sales outlets	Percentage of coverage of the Target Compan
	Class A market:				
	, - w 2	,	41	41	100%
	Class B market:				
	CA,- w		278	278	100%
	Class C market:				
	- C -B , w		2,000	1,600	80%
	Class D market: w , w		34,872	19,180	55%
2.	Financial information of the Tar	get Busin	ess		
	(i) Financial performance				
	W			🛛 B	
	C A W	1		B 2015:	
				FY20 RMB' mill	
	G			9,27 1,04 8	

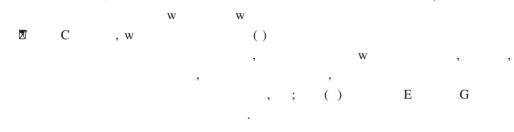
B (.	C F	w) 25	W	w 17.		В		
С	w				_	_		Н
F				D	С		. A	W
	W		X	В	F 2	2015	F 2016)
,	w C	W					Β.	
D ~) ,				-			F	(E W
), B B	, F 2016		,	1	3.2%	, F	2015. H w	
	B B						3.8% F	
B B								-F
(EW~)	-		W		W		, w	W
					F	F 2016	5 .	
		-						P 4 9 4
		F 2015,	C				G	B18.6
W	. 🛛		С			W	С	F'
Β.	,	В						
					, D1 0		F 20	16,
W					B1.0			
X		X	В	F	2016			
14.3%	B93.3		B80.0	,	W		-	
	B18.1			2016 w	W			
		X	С					(
One-off Re	organisation E	pense).			-			Е
W								
А,				B v				
B98.1	(F	Y2016 Ad	justed	Profit		_		
	5.1%	_	-	_		В	F 2	015. 🛛
		X	В	F	2016 v	N	•	

(ii)	Financial position							
	W						В	31
D	2016					:		
							As	at
							31 Decemb	er
							20	
							RMB' milli	on
	Non-current asse	ts						3.8
	,							3.2
			-				C).6
	Current assets						2,287	
							1,286	
	А						307 414	
	С						188	
	C							1.4
	Current liabilitie	S					2,248	
	А						1,568	
							680).3
	Non-current liabi	ilities						
	NAV of the Targe	t Rusines	s				47	2.7
	inter of the furge	t Dusines	5				12	
	A 31 D	2016,			B B			
()			B1,286.0)	;()			
	B721		; ()					
	;	()		_	-	. B		16
А					В	31 D	2016,	
		X.	В	W		4.3%.		
		,				B2,248	8.3	
					B1,568.	0		
	. 🛛 🖾 🛛 B				-		w .	
	A 31 D	2016,	А		В			
В	42.7 (- 1). B	F 20	16
А	`	А	Ø B				016,	
		В	w 229	.7%, w	w			
X	В							

D.

REASONS FOR AND BENEFITS OF THE ACQUISITION



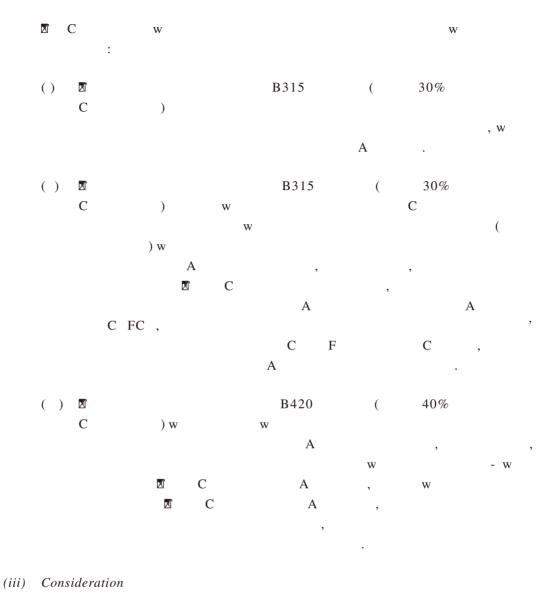


2. E tensive distribution net₩ork: A , E G w 550,000

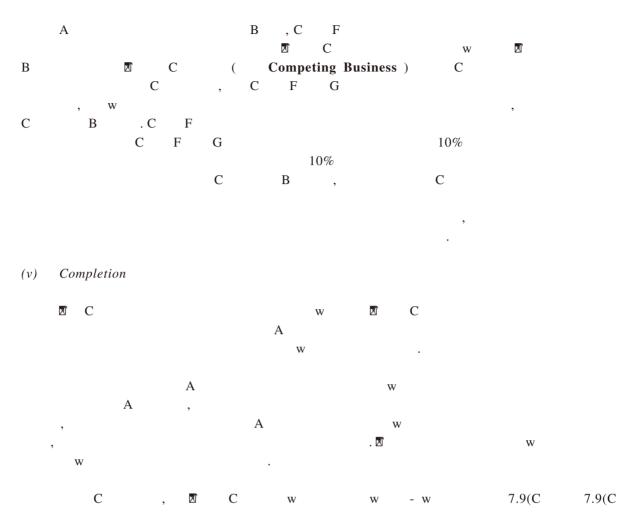
,

C, w w G w

(ii) Pa ment and conditions precedent







Companies)		(w (
;	.H w,-w-		W
	E C	C	, w H C
W 	B ⊠ B ; w	()	· () E , ⊠ B ,
(w). , E w	, w 50%	(Edil	w ble Oil Segment) E , w
w C C H E	C . H H ⊠ B (SZSE)	E E (SGX	C C, w (SSE),).
50%		G C'w C C	w
W		W 🗹 C W W	Ø B
C E E () 0.8274, B E C D (SZSE G ⊠ D (SGX	, w E, E G . G H C C H E C D ;() 0.5129, 27.1 2 Factor); () 1.0451, 13.3 Factor), .	16.8 B	(HS Inde)
	C C B A	C G	w -A

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Compan name	Stock code	Businesses	Market Capitalisation (Note 1) HK\$' million	PE Ratio (Note 2) Times	Adjusted PE Ratio (Note 2) Times
(H)	411.H		2,633.1	9.9	9.9
		;			
C F	1006.H	,	2,282.8	7.6	7.6
С		- ; , , ;			
w F C (Note 3)	000639.	, w w ,	9,875.9	56.7	29.1
		, , - ,			
D G C . (Note 4)	002852.		9,172.5	29.0	14.9
H C C ., . (Note 5)	600127. H	, , , ,	4,127.0	474.4	392.5
(Note 6)		, , ,	125,826.2	14.7	15.4
		, ,			
		w			
			(Note 5) (Note 5) (Note 5)	23.6 14.7 56.7 7.6	15.4 14.9 29.1 7.6

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Market Capitalisation (Note 1) HK\$' million	PE Ratio (Note 2) Times	Adjusted PE Ratio (Note 2) Times
B1,050	13.1	13.1
B1,050	10.7	10.7

Source: Bloomberg and the Stock Exchange

	Notes:							
	1.	Ø			Н \$	В		
	2.	Ø	E D	C E,	C w E G	Н	В	E D.
	3.				(Xi₩ang) (Kerr), C	-		2016 , w E
		w C E F	w 50% (31 D A w	. H w , 75.7% 2016, w	E E,	В) Е	C W
	4.	Ø E	D	G	С	W	EF.	
	5.	H E	C A E	С.,	C C		W	Ε.
	6.	Ø E				w G	F.	
	А	7.6 15.4	29.1 14.9	, (,	E Comparabl	C e Range),	Cw	
w E		E C			10.7 C 12.4	w C	C .	w D .

B , w C .

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

G. FINANCIAL EFFECT OF THE ACQUISITION

1. Earnings

FwC, Cwww-w C w G , E G . B F 2016 A Н \$113.3) B98.1 (B B 2016, 31 D X А G 5.4%, В w 229.7%, w ⊠ B G . D W ', A G, B B G W 6.5% C 1 2016, Е Н \$0.270 Н \$0.288.

-A G A .

2. Effect on gearing

M G 30% Α 70% w.B G' w , (Н \$15,531.6) H \$26,249.3 , G ' w C) W С (59.2%. A 31 D 2016 w , 62.4%, w W B .

3. NAV

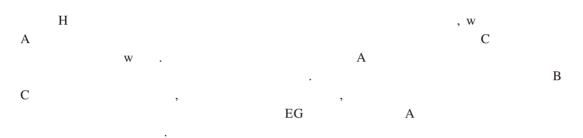
	X	А		В	31	D	2016			
	B42.7	(Н	\$49.3). A			
	С	,	С			31 D	2016,	А	G	
Н	\$26,249	.3	W				С			
	W	V					B1,000		(
		н 5	\$1,154.5) w			А	. 🛛	D	
	W						W		А	
				D	W		W		С	

						А			В	С		
	А		X	В			31 D		2016,		W	
С								•				
												W
		E		G	W		С					

4. Working capital

А	С	, 31 D	2016,	С	
Н	\$90.0	Н			
Н	\$7,586 ,				Н \$90.0 ,
-	W		Н \$23,190	,	G '
				,	
Н	\$598.8	31 D	2016,		С
B1,050	(Н \$1,212.2) w	
30% w		70%	w , w		
G'w					

RECOMMENDATION



Unless the context requires otherwise, all amounts in RMB are translated into HK\$ at an exchange rate of RMB1:HK\$1.1545. Such translation should not be construed as a representation that the amount in question has been, could have been or could be converted at an particular rate at all.

OPTIMA CAPITAL LIMITED Ng Ka Po

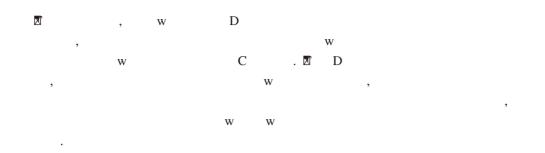
,

Senior Director

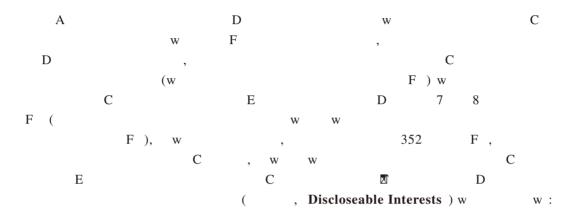
Mr. Ng Ka Po is licensed person and responsible officer of Optima Capital Limited

GENERAL INFORMATION

1. **RESPONSIBILITY STATEMENT**



2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE



Interests in the Shares and underl ing shares of the Compan

Name	Capac	it	Number of Shares held in long position	Number of underl ing Shares held in long position (Note 1)	Percentage (Note 2)
	В	W	235,364	636,000	0.02%
		(Note 3)			
D G	В	W		1,197,000	0.02%
A GH	В	W	136,500	1,680,000	0.03%
Н В	В	W	48,000	1,680,000	0.03%
Е	В	W	100,000		0.00%

		Na	ame of asso	ciated				umber of es held in	
Nam	e		rporation		Capacit			position	Percentage (Note 4)
A	GH		С		В	W		10,000	0.00%
Notes	:								
1.	۵	W		47	7 50	С	, 2016		С.
2.	۵		D,	5,249,88	0,788			С	
3.	235,364	w							
4.	Ø				D,	14,23	1,124,858		С
			,	D					
		D						D.	

Interests in shares of associated corporation

3. SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS

A	D ,	W	(D
C)	С	336	F :
Name	Capacit		Number of shares held (Note 1)	Percentage (Note 2)
Н	В	W	2,681,315,430	51.07%
C FC (H)	В	W	364,790,827	6.95%
		(Note 3)	2,681,315,430	51.07%
C FC C		(Note 4)	3,046,106,257	58.02%

GENERAL INFORMATION

	Notes:							
	1.			С.				
	2.	۵	w D,	5,249,880,788			С	
	3.	⊠ CFC (H	w)		Н	,	w	- w
	4.	Ø W - W	w C FC	Н С.		C FC (H)	,
			,	W	D			
С	,			D ,				
			D	C w 2 3	W	F		C
			C		336	F .		

4. DIRECTORS' SERVICE CONTRACTS

А		D ,	D		
	W	С		G	
			W	W	
().		

5. DIRECTORS' INTERESTS IN ASSETS OR CONTRACTS OR ARRANGEMENT

А		D ,	D		
W		31 D	2016,	W	
			G w	,	
		G,w	/	,	
	G.				
А		D ,	D	W	,
,					G

w w G .

6. LITIGATION

A D, w w D G.

7. COMPETING INTERESTS

8.10 , w D C w W G : . C FC . , . C FC C FC A .

 C
 FC
 w
 w

 C
 '
 w:
 w
 w

- (1) C FC B (A) C ., . (**COFCO Biochemical**), w w C . C FC B , ;
- (2) C FC A (**COFCO Agri**), w w C C .
 - C FC A w A , A , E , A (C) A :
 - . G & , w

 - . , W , , , ;
 - . A , w .

8. MATERIAL ADVERSE CHANGE

	X	W	
31 D		2016,	W
	G		

9. EXPERT'S QUALIFICATION AND CONSENT

⊠ w w :

Name

Qualification

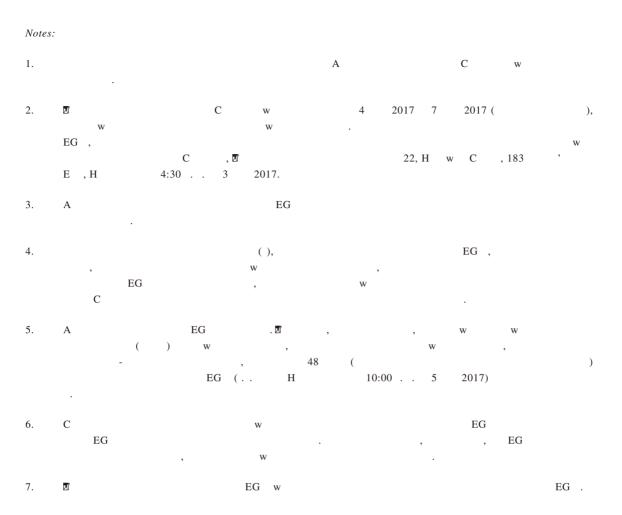
GENERAL INFORMATION

11. DOCUMENTS AVAILABLE FOR INSPECTION

С	C C w B , H	W ,	31 F , (CFC 🛛 w	, 262 G	, EG :
	(1) A	;				
	(2)	•				
	(3) -		;			
	(4)	XÎ	C ;			
	(5)	А	;			
	(6) 20	;	B C	,	W	
	(7)	FA,	W		21 38	;
	(8)	С	FA ;			Е'

(9) .

NOTICE OF THE EGM



As at the date of this notice, the Board comprises: Mr. YU Xubo as chairman of the Board and non-executive director; Mr. DONG Wei, Ms. YANG Hong and Mr. SHI Bo as executive directors; Mr. LI Jian and Mr. JIA Peng as non-executive directors; and Mr. LAM Wai Hon, Ambrose, Mr. Patrick Vincent VIZZONE and Mr. ONG Teck Ch e as independent non-executive directors.