

CIRCULAR DATED 10 OCTOBER 2012

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the contents of this Circular or the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your issued and paid-up ordinary shares in the capital of China Minzhong Food Corporation Limited (the “**Company**”), you should forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or transferee, or the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the accuracy of any statements made, opinions expressed or reports contained in this Circular.



CHINA MINZHONG FOOD CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200402715N)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE

IMPORTANT DATES AND TIMES

Latest date and time for lodgement of Proxy Form	:	23 October 2012 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	25 October 2012 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the AGM to be held at 10.00 a.m. on the same day and at the same place)
Place of Extraordinary General Meeting	:	Grand Copthorne Waterfront Hotel Singapore (Level 4, Kingfisher Room) 392 Havelock Road Singapore 169663

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated:

<i>“ACRA”</i>	:	The Accounting and Corporate Regulatory Authority of Singapore
<i>“AGM”</i>	:	The annual general meeting of the Company
<i>“Articles”</i>	:	The articles of association of the Company, as amended from time to time
<i>“Board”</i>	:	The board of Directors of the Company
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Circular”</i>	:	This circular to Shareholders dated 10 October 2012 in relation to the Share Purchase Mandate
<i>“Company”</i>	:	China Minzhong Food Corporation Limited
<i>“Companies Act”</i>	:	The Companies Act, Chapter 50 of Singapore
<i>“Controlling Shareholder”</i>	:	A person who: (a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares in the Company (unless the SGX-ST determines that such a person is not a controlling shareholder of the Company); or (b) in fact exercises control over the Company
<i>“Directors”</i>	:	The directors of the Company for the time being
<i>“EGM”</i>	:	The extraordinary general meeting of the Company to be held on 25 October 2012, notice of which is given on pages 23 to 24 of this Circular
<i>“ESOS”</i>	:	The CMZ Employee Share Option Scheme, approved and adopted by the Company on 31 March 2010, and as amended or modified from time to time
<i>“FY”</i>	:	Financial year ended 30 June
<i>“Group”</i>	:	The Company and its subsidiaries
<i>“Latest Practicable Date”</i>	:	12 September 2012, being the latest practicable date prior to the printing of this Circular

<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST, as amended, supplemented or modified from time to time
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“Market Purchase”</i>	:	Has the meaning ascribed to it in paragraph 2.3.3 of this Circular
<i>“Maximum Price”</i>	:	Has the meaning ascribed to it in paragraph 2.3.4 of this Circular
<i>“Memorandum”</i>	:	The memorandum of association of the Company, as amended from time to time
<i>“Off-Market Purchase”</i>	:	Has the meaning ascribed to it in paragraph 2.3.3 of this Circular
<i>“RMB”</i>	:	Renminbi
<i>“Securities Account”</i>	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
<i>“SFA”</i>	:	The Securities and Futures Act, Chapter 289 of Singapore
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts maintained with CDP are credited with Shares
<i>“Shares”</i>	:	Ordinary shares in the capital of the Company
<i>“Share Purchase Mandate”</i>	:	The general mandate given by Shareholders to authorise the Directors to purchase or otherwise acquire its issued Shares in accordance with the terms set out in this Circular and applicable laws and regulations
<i>“SIC”</i>	:	The Securities Industry Council
<i>“Substantial Shareholder”</i>	:	A person who has an interest in Shares, the nominal amount of which represents 5% or more of the nominal amount of all the voting Shares in the Company
<i>“Take-over Code”</i>	:	The Singapore Code on Take-overs and Mergers
<i>“S\$”</i>	:	Singapore dollars
<i>“%”</i>	:	Per centum or percentage

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted.

Any word defined under the Companies Act, the Listing Manual, the Take-over Code or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the Listing Manual, the Take-over Code or such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

The figures in RMB which are expressed in S\$ (and *vice-versa*) are expressed based on the exchange rate of S\$1.00 : RMB5.149 at the Latest Practicable Date. Such conversions are provided solely for the convenience of Shareholders and should not be construed as representations that the RMB amounts actually represent such S\$ amounts as could be converted into S\$ at the rate provided or at any other rate or at all.

LETTER TO SHAREHOLDERS

CHINA MINZHONG FOOD CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200402715N)

Directors

Lin Guo Rong (Executive Chairman and Chief Executive Officer)
Lee Edan Kietchai (Non-Executive Director)
Wang Anson (Non-Executive Director)
Lim Yeow Hua (Lead Independent Director)
Lim Gee Kiat (Independent Director)
Heng Hang Siong (Independent Director)

Registered Office

9 Battery Road
#15-01 Straits Trading Building
Singapore 049910

10 October 2012

To: The Shareholders of China Minzhong Food Corporation Limited

Dear Sir/Madam

THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE

1. INTRODUCTION

The Directors are convening the EGM to seek Shareholders' approval for the proposed adoption of the Share Purchase Mandate.

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with information relating to, the above proposal to be tabled at the EGM and to seek Shareholders' approval for the above proposal to be tabled at the EGM.

The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Circular.

2. THE PROPOSED SHARE PURCHASE MANDATE

2.1 Background

Any purchase or acquisition by the Company of its Shares has to be made in accordance with, and in the manner prescribed by, the Articles, the Companies Act, the Listing Manual, the Take-over Code and such other laws and regulations as may for the time being be applicable.

It is a requirement under the Companies Act that a company which wishes to purchase or acquire its own shares has to obtain the approval of its shareholders to do so at a general meeting. In this regard, the Company proposed to seek Shareholders' approval at the EGM for the adoption of the Share Purchase Mandate.

If approved, the Share Purchase Mandate will take effect from the date of the EGM and continue in force until the date of the next AGM or such date as the next AGM is required by law to be held (whichever is earlier), unless prior thereto, the purchase or acquisition of Shares pursuant to the Share Purchase Mandate is carried out to the full extent mandated or the Share Purchase Mandate is revoked or varied by the Company in general meeting. The Share Purchase Mandate may be put to Shareholders for renewal in general meeting.

2.2 Rationale for the Share Purchase Mandate

The rationale for the Company to undertake a purchase or acquisition of its Shares is as follows:

- (a) in managing the business of the Group, management strives to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group. In addition to growth and expansion of the business, share purchases at the appropriate price levels may be considered as one of the ways through which the return on equity of the Group may be enhanced;
- (b) in line with international practice, the Share Purchase Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of its possible financial needs, taking into account its growth and expansion plans, the Share Purchase Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner. A share repurchase programme will also allow management to effectively manage and minimise the dilution impact (if any) associated with the Company's share plans; and
- (c) the Share Purchase Mandate will also provide the Company the flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

The purchase or acquisition of Shares pursuant to the Share Purchase Mandate will only be undertaken if it can benefit the Company and Shareholders. While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 10% limit described in paragraph 2.3.1 below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised and no purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position or financial position of the Company or the Group as a whole.

2.3 Authority and Limits of the Share Purchase Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Purchase Mandate, if approved at the EGM, are summarised below:

2.3.1 *Maximum Number of Shares*

The Company may purchase or acquire only Shares which are issued and fully paid-up. The total number of Shares that may be purchased or acquired is limited to that number of Shares representing not more than 10% of the issued Shares as at the date of the EGM at which the Share Purchase Mandate is approved. Shares (if any), which are held as treasury shares, will be disregarded for purposes of computing the 10% limit.

As at the Latest Practicable Date, (i) the issued share capital of the Company comprised 557,439,000 Shares and (ii) the Company has in place the ESOS, under which an aggregate of 5,140,000 share options have been granted.

For illustrative purposes only, on the basis of 557,439,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares are issued on or prior to the date of the EGM, not more than 55,743,900 Shares (representing 10% of the issued Shares of the Company as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

2.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, from the date of the EGM at which the Share Purchase Mandate is approved, up to the earliest of:

- (a) the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting is required to be held;
- (b) the date on which purchases or acquisitions of Shares have been carried out to the full extent of the Share Purchase Mandate; or
- (c) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of Shareholders in general meeting.

2.3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases ("**Market Purchases**"), transacted on the SGX-ST through the SGX-ST's trading system or on any other securities exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**") effected, otherwise than on a securities exchange, in accordance with an equal access scheme as defined in Section 76C of the Companies Act.

In an Off-Market Purchase, the Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

Under the Companies Act, an equal access scheme must, however, satisfy all the following conditions:

- (a) the offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (2) (if applicable) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document containing at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share purchase or acquisition;
- (d) the consequences, if any, of share purchases or acquisitions by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the share purchase or acquisition, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (f) details of any Share purchase or acquisition made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (g) Whether the shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commissions, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.

However, the purchase price must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined below),

(the “**Maximum Price**”) and in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last 5 Market Days on which transactions in Shares were recorded, preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-day market period; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of Purchased or Acquired Shares

Any Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on cancellation), unless such Share is held by the Company as a treasury share.

2.4.1 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

(a) Maximum Holdings

The aggregate number of Shares held by the Company as treasury shares shall not at any time exceed 10% of the total number of issued Shares.

(b) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding-up) may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (i) sell the treasury shares (or any of them) for cash;
- (ii) transfer the treasury shares (or any of them) for the purposes of or pursuant to an employees' share scheme;
- (iii) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares (or any of them); or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

Under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as (aa) the date of the sale, transfer, cancellation and/or use of such treasury shares, (bb) the purpose of such sale, transfer, cancellation and/or use

of such treasury shares, (cc) the number of treasury shares which have been sold, transferred, cancelled and/or used, (dd) the number of treasury shares before and after such sale, transfer, cancellation and/or use, (ee) the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and (ff) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.4.2 Purchased or Acquired Shares Cancelled

Under the Companies Act, where Shares purchased or acquired by the Company are cancelled, the Company shall:

- (a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled.

Shares which are cancelled will be automatically delisted by the SGX-ST, and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are cancelled and not held as treasury shares.

2.5 Source of Funds

In purchasing or acquiring its Shares, the Company may only apply funds for such purchase or acquisition as provided in the Articles of Association of the Company and in accordance with applicable laws in Singapore.

The Companies Act permits any purchase or acquisition of shares to be made out of a company's capital or profits so long as the company is solvent. For this purpose, a company is solvent if:

- (a) the company is able to pay its debts in full at the time of the purchase or acquisition of its shares and will be able to pay its debts as they fall due in the normal course of business during the period of 12 months immediately following the date of the purchase or acquisition; and
- (b) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

The Company intends to use internal sources of funds or external borrowings or a combination of both to finance its purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. In addition, the Directors will also consider the availability of external financing. However, in considering the option of external financing, the Directors will also consider the financial position of the Group, particularly the prevailing gearing level of the Group. The Directors will only make purchases or acquisitions of the Shares in circumstances that they believe will not result in any material adverse effect on the financial position of the Group.

2.6 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Purchase Mandate on the net tangible asset value and earnings per Share as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares, the amount (if any) borrowed by the Company to fund the purchases or acquisitions, and whether the Shares purchased or acquired are cancelled or held as treasury shares.

The Company's total number of issued Shares and total issued share capital will be diminished by the total number of the Shares purchased or acquired by the Company and which are not held as treasury shares. The net tangible assets of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent (as defined in Section 76F(4) of the Companies Act). Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirements, the availability of financial resources and the expansion and investment plans of the Group, and the prevailing market conditions.

For illustrative purposes only and on the basis of the following assumptions:

- (a) based on 557,439,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the EGM, not more than 55,743,900 Shares (representing 10% of the total number of issued Shares of the Company as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate;
- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 55,743,900 Shares at the Maximum Price of S\$0.74 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the 5 consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 55,743,900 Shares (excluding related expenses) is approximately S\$41.3 million; and
- (c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 55,743,900 Shares at the Maximum Price of S\$0.84 for one (1) Share (being the price equivalent to 20% above the Average Closing Price of the Shares for the 5 consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 55,743,900 Shares (excluding related expenses) is approximately S\$46.8 million.

For illustrative purposes only, and based on the assumptions set out in sub-paragraphs (a), (b) and (c) above and assuming that:

- (a) the purchase or acquisition of Shares is financed solely by internal sources of funds;
- (b) the Share Purchase Mandate had been effective on 1 July 2011; and
- (c) the Company had purchased or acquired 55,743,900 Shares (representing 10% of the total number of issued Shares of the Company at the Latest Practicable Date),

the financial effects of the purchase or acquisition of 55,743,900 Shares by the Company pursuant to the Share Purchase Mandate:

- (i) by way of purchases or acquisitions made entirely out of capital and/or profits and held as treasury shares; and
- (ii) by way of purchases made entirely out of capital and/or profits and cancelled,

are summarised for ease of reference in the following table:

Scenario	Purchased out of	Type of purchase	Held as treasury shares or cancelled	Maximum price per Share (S\$)
1(A)	Capital	Market Purchase	Held as treasury shares	0.74
1(B)	Capital	Off-Market Purchase	Held as treasury shares	0.84
2(A)	Capital	Market Purchase	Cancelled	0.74
2(B)	Capital	Off-Market Purchase	Cancelled	0.84

The details of which are set out below:

(1) Purchases and acquisitions made entirely out of capital and/or profits and held as treasury shares

(A) Market Purchases

	Group		Company	
	Before Share Purchase/Acquisition RMB'000	After Share Purchase/Acquisition RMB'000	Before Share Purchase/Acquisition RMB'000	After Share Purchase/Acquisition RMB'000
As at 30 June 2012				
Profit/(Loss) for the year	679,581	679,581	(16,333)	(16,333)
Share capital	1,072,268	1,072,268	1,072,268	1,072,268
Retained earnings/ (Accumulated losses)	2,428,201	2,428,201	(150,052)	(150,052)
Translation reserve	6,106	6,106	14,932	14,932
Employees' share option reserve	1,740	1,740	1,740	1,740
Statutory reserve fund	79,007	79,007	—	—
Treasury shares	—	(41,250)	—	(41,250)
Total equity	3,587,322	3,546,072	938,888	897,638
Net tangible assets ⁽¹⁾	3,587,322	3,546,072	938,888	897,638
Current assets	1,659,179	1,617,929	31,217	31,217
Current liabilities	971,621	971,621	11,393	11,393
Working capital	687,558	646,308	19,824	19,824
Number of issued Shares as at 30 June 2012 ('000)	557,439	501,695	557,439	501,695
Weighted average number of Shares outstanding during the year ended 30 June 2012 ('000) ⁽²⁾	557,439	501,695	557,439	501,695
Financial Ratios				
Net tangible assets per Share (RMB cents)	644	707	168	179
Gearing ⁽³⁾ (times)	0.17	0.17	N.A.	N.A.
Profit/(Loss) per Share (RMB cents)	122	135	(2.9)	(3.3)
Current ratio ⁽⁴⁾ (times)	1.71	1.67	2.74	2.74

Notes:

- (1) Net tangible assets equal total net assets.
- (2) The weighted average number of Shares after Share purchases or acquisitions is computed on the assumption that the Share purchases or acquisitions were completed on 1 July 2011.
- (3) Gearing ratio equals total borrowings divided by total equity.
- (4) Current ratio equals current assets divided by current liabilities.
- (5) N.A. means not applicable.

(B) Off-Market Purchases

	Group		Company	
	Before Share Purchase/Acquisition	After Share Purchase/Acquisition	Before Share Purchase/Acquisition	After Share Purchase/Acquisition
As at 30 June 2012	RMB'000	RMB'000	RMB'000	RMB'000
Profit/(Loss) for the year	679,581	679,581	(16,333)	(16,333)
Share capital	1,072,268	1,072,268	1,072,268	1,072,268
Retained earnings/ (Accumulated losses)	2,428,201	2,428,201	(150,052)	(150,052)
Translation reserve	6,106	6,106	14,932	14,932
Employees' share option reserve	1,740	1,740	1,740	1,740
Statutory reserve fund	79,007	79,007	—	—
Treasury shares	—	(46,825)	—	(46,825)
Total equity	3,587,322	3,540,497	938,888	892,063
Net tangible assets ⁽¹⁾	3,587,322	3,540,497	938,888	892,063
Current assets	1,659,179	1,612,354	31,217	31,217
Current liabilities	971,621	971,621	11,393	11,393
Working capital	687,558	640,733	19,824	19,824
Number of issued Shares as at 30 June 2012 ('000)	557,439	501,695	557,439	501,695
Weighted average number of Shares outstanding during the year ended 30 June 2012 ('000) ⁽²⁾	557,439	501,695	557,439	501,695
Financial Ratios				
Net tangible assets per Share (RMB cents)	644	706	168	178
Gearing ⁽³⁾ (times)	0.17	0.17	N.A.	N.A.
Profit/(Loss) per Share (RMB cents)	122	135	(2.9)	(3.3)
Current ratio ⁽⁴⁾ (times)	1.71	1.66	2.74	2.74

Notes:

- (1) Net tangible assets equal total net assets.
- (2) The weighted average number of Shares after Share purchases or acquisitions is computed on the assumption that the Share purchases or acquisitions were completed on 1 July 2011.
- (3) Gearing ratio equals total borrowings divided by total equity.
- (4) Current ratio equals current assets divided by current liabilities.
- (5) N.A. means not applicable.

(2) Purchases and acquisitions made entirely out of capital and/or profits and cancelled

(A) Market Purchases

	Group		Company	
	Before Share Purchase/Acquisition RMB'000	After Share Purchase/Acquisition RMB'000	Before Share Purchase/Acquisition RMB'000	After Share Purchase/Acquisition RMB'000
As at 30 June 2012				
Profit/(Loss) for the year	679,581	679,581	(16,333)	(16,333)
Share capital	1,072,268	1,072,268	1,072,268	1,072,268
Retained earnings/ (Accumulated losses)	2,428,201	2,386,951	(150,052)	(191,302)
Translation reserve	6,106	6,106	14,932	14,932
Employees' share option reserve	1,740	1,740	1,740	1,740
Statutory reserve fund	79,007	79,007	—	—
Total equity	3,587,322	3,546,072	938,888	897,638
Net tangible assets ⁽¹⁾	3,587,322	3,546,072	938,888	897,638
Current assets	1,659,179	1,617,929	31,217	31,217
Current liabilities	971,621	971,621	11,393	11,393
Working capital	687,558	646,308	19,824	19,824
Number of issued Shares as at 30 June 2012 ('000)	557,439	501,695	557,439	501,695
Weighted average number of Shares outstanding during the year ended 30 June 2012 ('000) ⁽²⁾	557,439	501,695	557,439	501,695
Financial Ratios				
Net tangible assets per Share (RMB cents)	644	707	168	179
Gearing ⁽³⁾ (times)	0.17	0.17	N.A.	N.A.
Profit/(Loss) per Share (RMB cents)	122	135	(2.9)	(3.3)
Current ratio ⁽⁴⁾ (times)	1.71	1.67	2.74	2.74

Notes:

- (1) Net tangible assets equal total net assets.
- (2) The weighted average number of Shares after Share purchases or acquisitions is computed on the assumption that the Share purchases or acquisitions were completed on 1 July 2011.
- (3) Gearing ratio equals total borrowings divided by total equity.
- (4) Current ratio equals current assets divided by current liabilities.
- (5) N.A. means not applicable.

(B) Off-Market Purchases

	Group		Company	
	Before Share Purchase/Acquisition RMB'000	After Share Purchase/Acquisition RMB'000	Before Share Purchase/Acquisition RMB'000	After Share Purchase/Acquisition RMB'000
As at 30 June 2012				
Profit/(Loss) for the year	679,581	679,581	(16,333)	(16,333)
Share capital	1,072,268	1,072,268	1,072,268	1,072,268
Retained earnings/ (Accumulated losses)	2,428,201	2,381,376	(150,052)	(196,877)
Translation reserve	6,106	6,106	14,932	14,932
Employees' share option reserve	1,740	1,740	1,740	1,740
Statutory reserve fund	79,007	79,007	—	—
Total equity	3,587,322	3,540,497	938,888	892,063
Net tangible assets ⁽¹⁾	3,587,322	3,540,497	938,888	892,063
Current assets	1,659,179	1,612,354	31,217	31,217
Current liabilities	971,621	971,621	11,393	11,393
Working capital	687,558	640,733	19,824	19,824
Number of issued Shares as at 30 June 2012 ('000)	557,439	501,695	557,439	501,695
Weighted average number of Shares outstanding during the year ended 30 June 2012 ('000) ⁽²⁾	557,439	501,695	557,439	501,695
Financial Ratios				
Net tangible assets per Share (RMB cents)	644	706	168	178
Gearing ⁽³⁾ (times)	0.17	0.17	N.A.	N.A.
Loss per Share (RMB cents)	122	135	(2.9)	(3.3)
Current ratio ⁽⁴⁾ (times)	1.71	1.66	2.74	2.74

Notes:

- (1) Net tangible assets equal total net assets.
- (2) The weighted average number of Shares after Share purchases or acquisitions is computed on the assumption that the Share purchases or acquisitions were completed on 1 July 2011.
- (3) Gearing ratio equals total borrowings divided by total equity.
- (4) Current ratio equals current assets divided by current liabilities.
- (5) N.A. means not applicable.

Shareholders should note that the financial effects set out in this paragraph are purely for illustrative purposes only and based only on historical numbers for FY2011 and the abovementioned assumptions and are not representative of future financial performance. Although the Share Purchase Mandate would authorise the Company to purchase or otherwise acquire up to 10% of its total number of issued Shares (excluding treasury shares), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of its total number of issued Shares. In addition, the Company may cancel all or a part of the Shares purchased or acquired or hold all or part of the Shares purchased or acquired in treasury.

Shareholders who are in doubt as to their respective tax positions or the tax implications of arising from the Share Purchase Mandate in their jurisdictions should consult their own professional advisers.

2.7 Listing Manual

2.7.1 No Purchases or Acquisitions during Price Sensitive Developments

While the Listing Manual does not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in observing the best practices recommended in the Listing Manual on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the period of 2 weeks immediately preceding the announcement of the Company’s quarterly results or 1 month immediately preceding the announcement of the Company’s full-year results, as the case may be, and ending on the date of announcement of the relevant results.

2.7.2 Listing Status of the Shares

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its issued Shares (excluding treasury shares) are in the hands of the public. The “**public**”, as defined in the Listing Manual, are persons other than the Directors, chief executive officer, Substantial Shareholders and Controlling Shareholders of the Company and its subsidiaries, as well as the associates (as defined in the Listing Manual) of such persons.

As at the Latest Practicable Date, there were approximately 264,210,357 Shares in the hands of the public (as defined above), representing approximately 47.4% of the total number of Shares of the Company. Assuming that the Company purchases or acquires its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate, the number of Shares in the hands of the public would be reduced to approximately 208,466,457 Shares, representing approximately 37.4% of the total number of Shares of the Company. As at the Latest Practicable Date, the Company did not have any treasury shares.

In view of the foregoing, the Company is of the view that there is, at present, a sufficient number of Shares in public hands that would permit the Company to potentially undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without:

- (a) affecting adversely the listing status of the Shares on the SGX-ST;
- (b) causing market illiquidity; or
- (c) affecting adversely the orderly trading of Shares.

2.7.3 Reporting Requirements

The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9:00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement must include details of the date of the purchases or acquisitions of the shares, the total number of shares purchased or acquired, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, and the number of issued shares (excluding treasury shares) after the purchase and the number of treasury shares held after the purchase. Such announcement will be made in the form prescribed by the Listing Manual.

2.7.4 No Share Purchases or Acquisitions in the Previous 12 Months

No purchases or acquisitions of Shares have been made by the Company in the 12 months preceding the Latest Practicable Date.

2.8 Implications of Take-over Code

If as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in a change in control, or as a result of such increase a Shareholder or group of Shareholders acting in concert obtain or consolidate control, it may in certain circumstances give rise to an obligation on the part of such Shareholder or Shareholders to make a take-over offer under Rule 14 of the Take-over Code.

The circumstances under which Shareholders, including Directors, and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 ("**TOC Appendix 2**") of the Take-over Code.

In relation to Directors and persons acting in concert with them, Rule 14 provides that unless exempted (or if exempted, such exemption is subsequently revoked), Directors and persons acting in concert with them will incur an obligation to make a take-over offer if, as a result of a purchase or acquisition of Shares by the Company:

- (a) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or
- (b) if they together hold between 30% and 50% of the Company's voting rights, their voting rights increase by more than 1% in any period of 6 months.

Under TOC Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate control of that company. Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert:

- (a) a company with any of its directors; and
- (b) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other. For this purpose, ownership or control of 20% or more of the voting rights of a company will be regarded as the test of associated company status.

Based on the interests of the Substantial Shareholders in the Shares as at the Latest Practicable Date set out in paragraph 3 of this Circular, the Substantial Shareholders of the Company would not become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity.

2.9 Requirements under the Companies Act

Within 30 days of the passing of the Shareholders' resolution to approve the Share Purchase Mandate, the Company shall lodge a copy of such resolution with ACRA.

Within 30 days of a purchase of Shares on the SGX-ST or otherwise, the Company shall lodge with ACRA a notice of the purchase in the prescribed form, such notification including, the date of the purchase, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase, the amount of consideration paid by the Company for the purchase, whether the Shares were purchased or acquired out of the profits or capital of the Company and such other particulars as may be required in the prescribed form.

3. SHAREHOLDING INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

Name of Substantial Shareholder	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Lin Guo Rong ⁽ⁱ⁾	12,978,000	2.33	22,411,297	4.02
Siek Wei Ting ⁽ⁱ⁾	8,030,703	1.44	22,411,297	4.02
Tetrad Ventures Pte Ltd ⁽ⁱⁱ⁾	94,245,382	16.91	—	—
Government of Singapore Investment Corporation (Ventures) Pte. Ltd. ⁽ⁱⁱ⁾	—	—	94,245,382	16.91
GIC Special Investments Pte. Ltd. ⁽ⁱⁱ⁾	—	—	94,245,382	16.91
Government of Singapore Investment Corporation Pte. Ltd. ⁽ⁱⁱ⁾	—	—	94,245,382	16.91
CMIA Capital Partners Pte. Ltd. ⁽ⁱⁱⁱ⁾	—	—	35,792,643	6.42
Lee Chong Min ⁽ⁱⁱⁱ⁾	—	—	35,792,643	6.42
Wang Anson ⁽ⁱⁱⁱ⁾	—	—	35,792,643	6.42
Olympus Leaf Holdings Limited ^(iv)	57,231,618	10.27	—	—
OCA II Holdings L.P. ^(iv)	—	—	57,231,618	10.27
Olympus Capital Holdings Asia ^(iv)	—	—	57,231,618	10.27
Lee Edan Kietchai ^(iv)	—	—	57,231,618	10.27
Franklin Resources, Inc ^(v)	—	—	62,539,000	11.22
Templeton Worldwide, Inc ^(v)	—	—	62,107,000	11.14
Templeton International, Inc ^(v)	—	—	33,180,000	5.95
Franklin Templeton Capital Holdings Private Limited ^(v)	—	—	33,180,000	5.95
Franklin Templeton Asia Holdings Private Limited ^(v)	—	—	33,180,000	5.95
Franklin Templeton Investments (Asia) Limited ^(v)	—	—	33,180,000	5.95

Notes:

- (i) China Minzhong Holdings Limited (“**Minzhong (BVI)**”) owns 22,411,297 Shares, representing 4.02% of the issued share capital of the Company. Minzhong (BVI) is solely owned by the Chief Financial Officer, Siek Wei Ting, who is holding the entire share capital in Minzhong (BVI) on trust for our Executive Chairman and Chief Executive Officer, Lin Guo Rong (as to 24.12%), our Chief Operation Officer, Wang Dazhang (as to 37.94%) and our Chief Technology Officer, Huang Bing Hui (as to 37.94%).

By virtue of Section 4 of the Securities and Futures Act, Lin Guo Rong, Wang Dazhang, Huang Bing Hui and Siek Wei Ting are deemed to be interested in the Shares held by Minzhong (BVI).

- (ii) Tetrad Ventures Pte Ltd (“**Tetrad**”) is wholly owned by Government of Singapore Investment Corporation (Ventures) Pte. Ltd. (“**GICV**”). GIC Special Investments Pte. Ltd. (“**GICSI**”) manages the investments of Tetrad, and is wholly owned by Government of Singapore Investment Corporation Pte. Ltd. (“**GIC**”). GIC manages the foreign reserves of the Government of Singapore and is wholly owned by Minister for Finance (Incorporated).

By virtue of Section 4 of the Securities and Futures Act, GICV, GICSI and GIC are deemed to be interested in the shares held by Tetrad.

- (iii) CMIA Capital Partners Pte. Ltd. (“**CMIA**”) is the manager of certain funds and investment vehicles that are shareholders of China Minzhong Food Corporation Limited. Lee Chong Min is a director and principal shareholder of CMIA and Wang Anson is the managing partner of CMIA.

By virtue of Section 4 of the Securities and Futures Act, CMIA, Lee Chong Min and Wang Anson are deemed to be interested in the Shares held by the aforesaid funds and investment vehicles.

- (iv) Olympus Leaf Holdings Limited (“**Olympus Leaf**”) is wholly owned by OCA II Holdings, L.P. (“**OCAII**”) managed by Olympus Capital Holdings Asia (“**OCHA**”). Lee Edan Kietchai is the Managing Director and Vice President of OCHA.

By virtue of Section 4 of the Securities and Futures Act, Lee Edan Kietchai, OCAII and OCHA are deemed to be interested in the Shares held by Olympus Leaf in China Minzhong Food Corporation Limited.

- (v) Franklin Templeton Investments (Asia) Limited (“**FTIA**”) is wholly owned by Franklin Templeton Asia Holdings Private Limited (“**FTAH**”), who in turn is wholly owned by Franklin Templeton Capital Holdings Private Limited (“**FTCH**”), who in turn is wholly owned by Templeton International, Inc (“**TII**”), who in turn is wholly owned by Templeton Worldwide, Inc (“**TWW**”) who is wholly owned by Franklin Resources, Inc (“**FRI**”).

By virtue of Section 4 of the Securities and Futures Act:

- (a) FRI is deemed to be interested in the Shares held by its subsidiaries on behalf of their clients in discretionary managed accounts and in the Shares held by certain funds and investment vehicles which are managed by its subsidiaries;
- (b) TWW is deemed to be interested in the Shares held by its subsidiaries on behalf of their clients in discretionary managed accounts and in the Shares held by certain funds and investment vehicles which are managed by its subsidiaries;
- (c) each of TII, FTCH and FTAH is deemed to be interested in the Shares held by FTIA on behalf of its clients in discretionary managed accounts and in the Shares held by certain funds and investment vehicles which are managed by FTIA; and
- (d) FTIA is deemed to be interested in the Shares held on behalf of its clients in discretionary managed accounts and in certain funds and investment vehicles which are managed by FTIA.

4. DIRECTORS’ RECOMMENDATION

The Directors are of the opinion that the proposed Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed Share Purchase Mandate to be proposed at the EGM.

5. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Grand Copthorne Waterfront Hotel Singapore (Level 4, Kingfisher Room), 392 Havelock Road, Singapore 169663, on 25 October 2012 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the AGM to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing, with or without any modifications, the ordinary resolution set out in the notice of EGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM in person and wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company at 9 Battery Road, #15-01 Straits Trading Building, Singapore 049910 not less than 48 hours before the time fixed for the EGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he is able to do so and in such event, his Proxy Form shall be deemed to be revoked.

Depositors who wish to attend and vote at the EGM, and whose names are shown in the records of CDP as at a time not earlier than 48 hours prior to the time of the EGM, may attend as CDP’s proxies. Such Depositors who are individuals and wish to attend the EGM in person need not take any further action and may attend and vote at the EGM without the lodgment

of any proxy form. Depositors who cannot attend a meeting personally and wish to appoint their nominees to attend as CDP's proxies, and Depositors who are not individuals, must complete, sign and return the Depositor Proxy Form enclosed in accordance with the instructions printed thereon as soon as possible and in any event, so as to reach the office of the registered office of the Company at 9 Battery Road, #15-01 Straits Trading Building, Singapore 049910 not less than 48 hours before the time fixed for the EGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Share Purchase Mandate and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

8. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, Singapore Land Tower, #32-01, Singapore 048623, during normal office hours from the date of this Circular up to and including the date of the EGM:

8.1 The Annual Report of the Company for FY2012; and

8.2 The Memorandum and Articles.

Yours faithfully

For and on behalf of the Board of Directors of
CHINA MINZHONG FOOD CORPORATION LIMITED

Mr Lin Guo Rong
Executive Chairman

CHINA MINZHONG FOOD CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200402715N)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of China Minzhong Food Corporation Limited (the “**Company**”) will be held at Grand Copthorne Waterfront Hotel Singapore (Level 4, Kingfisher Room), 392 Havelock Road, Singapore 169663, on 25 October 2012 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the AGM to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the following resolution which will be proposed as an Ordinary Resolution:

Unless otherwise defined, all terms defined in this Notice of Extraordinary General Meeting shall have the same meanings as those defined or construed in the circular dated 10 October 2012 (the “**Circular**”) issued by the Company to Shareholders.

ORDINARY RESOLUTION

THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE

THAT:

(a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (“**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- (i) market purchase(s) (each a “**Market Purchase**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
- (ii) off-market purchase(s) (each an “**Off-Market Purchase**”) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (“**Share Purchase Mandate**”);

(b) the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

- (i) the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting is required to be held;
- (ii) the date on which Share purchases or acquisitions have been carried out to the full extent of the Share Purchase Mandate; or
- (iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of Shareholders in general meeting;

(c) in this Resolution:

“**Maximum Limit**” means such number equal to 10% of the issued ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of this Resolution; and

“**Maximum Price**” in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase : 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase : 120% of the Average Closing Price, pursuant to an equal access scheme

Where:

“**Average Closing Price**” is the average of the closing market prices of a Share over the last 5 Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-day market period;

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

“**Market Day**” means a day on which the SGX-ST (or, as the case may be, the Other Exchange) is open for trading in securities; and

- (d) any Director be and is hereby authorised and empowered to complete and do all such acts and things (including executing such documents, agreements, deeds and arrangements and signing, filing and/or submitting any forms, returns and documents with the relevant regulatory authorities and agencies) as he/she may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

BY ORDER OF THE BOARD
CHINA MINZHONG FOOD CORPORATION LIMITED

Cheam Heng Haw
Chan Hooi Tze
Joint Company Secretaries

Singapore, 10 October 2012

Notes:

- (1) Save as provided in the Articles, a Shareholder (other than CDP) is entitled to attend and vote at the EGM is entitled to appoint up to two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) If a Shareholder wishes to appoint a proxy/proxies, then the Proxy Form must be deposited at the registered office of the Company at 9 Battery Road #15-01 Straits Trading Building Singapore 049910 not less than 48 hours before the time of the EGM.
- (3) If a Depositor (who is not a natural person) whose name appears in the Depository Register (as defined in Section 130A of the Singapore Companies Act) wishes to attend and vote at the EGM, then it should complete the Depositor Proxy Form and deposit the duly completed Depositor Proxy Form at the registered office of the Company at 9 Battery Road #15-01 Straits Trading Building Singapore 049910, not less than 48 hours before the time of the EGM. A Depositor who is a natural person need not complete the Depositor Proxy Form if he/she intends to attend the EGM in person.

CHINA MINZHONG FOOD CORPORATION LIMITED

(Incorporated in Singapore)
(Registration No. 200402715N)

IMPORTANT:

1. For Investors who have used their CPF monies to buy the Company's shares, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM — EXTRAORDINARY GENERAL MEETING

I/We, _____ (Name)

of _____ (Address)

being a member/members of China Minzhong Food Corporation Limited (the "Company"), hereby appoint:

Name	Address	NRIC or Passport No.	Percentage of Shareholdings (%)

and/or failing him/her (delete as appropriate)

Name	Address	NRIC or Passport No.	Percentage of Shareholdings (%)

or failing him/her the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting of the Company to be held at Grand Copthorne Waterfront Hotel Singapore (Level 4, Kingfisher Room), 392 Havelock Road, Singapore 169663 on Thursday, 25 October 2012 at 11:00 a.m., and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions	For	Against
1.	Adoption of Share Purchase Mandate		

* Please indicate your vote "For" or "Against" with a tick (✓) within the box provided.

Dated this _____ day of _____ 2012

Total Number of Shares held	
------------------------------------	--

Signature(s) of member(s)
or Common Seal of Corporate Shareholder

* If no person is named in the space above, the Chairman of the Extraordinary General Meeting shall be my/our proxy to vote, for or against the Resolution to be proposed at the Extraordinary General Meeting as indicated below, for me/us and on my/our behalf at the Extraordinary General Meeting and at any adjournment thereof.

IMPORTANT (PLEASE READ THE NOTES)

Notes:

1. Please insert the total number of shares held by you. If you have shares registered in your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.
3. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 9 Battery Road #15-01 Straits Trading Building, Singapore 049910 not less than 48 hours before the time set for the meeting.
4. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its officer or attorney duly authorised.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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