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CHINA GREEN (HOLDINGS) LIMITED

中國綠色食品（控股）有限公司*

**(To be renamed as China Culiangwang Beverages Holdings Limited
中國粗糧王飲品控股有限公司)**

(Incorporated in Bermuda with limited liability)

(Stock Code: 904)

VOLUNTARY ANNOUNCEMENT: INVESTMENT AGREEMENT IN RELATION TO INVESTMENT IN PENGXI COUNTY, THE PEOPLE'S REPUBLIC OF CHINA

This is a voluntary announcement made by China Green (Holdings) Limited (**"Company"**, together with its subsidiaries, the **"Group"**).

The board (**"Board"**) of directors (**"Directors"**) of the Company is pleased to announce that on 8 August 2014, China Green Foods Group Co., Ltd. (中綠食品集團有限公司) (**"China Green Foods Group"**), a company incorporated in the People's Republic of China (**"PRC"**) with limited liability and a subsidiary of the Company, entered into an investment agreement (**"Investment Agreement"**) with 蓬溪縣人民政府 (in English, for identification purpose only, The People's Government of Pengxi County) (**"Pengxi Government"**) in relation to China Green Foods Group's investment (**"Investment"**) in Suining Jinqiao New District (遂寧金橋新區) (**"District"**), Pengxi County, Sichuan Province, the PRC.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Pengxi Government is a third party independent of and not connected with the Company and its connected persons (as defined in the Rules (**"Listing Rules"**) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

Pursuant to the Investment Agreement, it is contemplated that, with the assistance of the Pengxi Government, China Green Foods Group will acquire a parcel of land (“**Land**”) of approximately 150 mu (畝) in the District, through quotation (掛牌出讓), for constructing China Green Foods Group's southwest product base project (“**Project**”). The Pengxi Government will provide to China Green Foods Group preferential policies and related assistance regarding financial and regulatory fees matters in relation to the Project.

Under the Project, China Green Foods Group will construct 12 beverage production lines for the manufacturing of multi grain beverages. To facilitate the Project, China Green Foods Group shall incorporate a company with a registered capital of not less than RMB50 million in Pengxi County and complete the registration of such company within 30 working days of the Investment Agreement is signed.

Under the Investment Agreement, the Penxi Government shall fully support China Green Foods Group’s investment in the District, and support China Green Foods Group to be entitled to the Penxi Government’s relevant investment preferential policies. It is expected that the obtaining of the land use right certificate of the Land by China Green Foods Group is to be completed at the end of June, 2015.

The funds to be invested in the Project (including the fund required for the acquisition of the Land) will be funded by the Group’s internal resources and/or fund raising exercise by way of bank borrowings and/or equity issue. In the event that the Company has decided to raise fund by way of equity issue, the Company will issue further announcement in compliance with the Listing Rules.

As disclosed in the annual results announcement of the Company for the year ended 30 April 2014, currently the Group has one plant for producing branded beverage products located in Quanzhou City of Fujian Province and that the self-owned capacity of beverage production is not enough for the sales demand. The Directors consider that the Project offers an opportunity to the Group to expanding the Group’s self-owned capacity beverage production, and is in line with the Group’s plan to reduce the Group's reliance on third party OEM producers and improving the overall margin of the branded beverage products business. The Directors (including the independent non-executive Directors) consider that the terms of the Investment Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

The Board wishes to emphasize that the Investment Agreement only sets out the preliminary cooperation intention of the Company and the Pengxi Government, which does not constitute substantive rights and obligations of any parties thereto.

Further announcement(s) in relation to the entering of the definitive agreements regarding the proposed acquisition of the Land or the proposed Investment, if such constitutes notifiable transactions under the Listing Rules, will be made by the Company as and when appropriate in compliance with the Listing Rules.

On behalf of the Board
China Green (Holdings) Limited
Sun Shao Feng
Chairman

Hong Kong, 10 August 2014

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Sun Shao Feng (Chairman and Chief Executive Officer) and Mr. Chen Changgai; and three independent non-executive Directors, namely Mr. Wei Xiongwen, Mr. Hu Ji Rong and Mr. Zheng Baodong.

** For identification purpose only*