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BENEFUN INTERNATIONAL HOLDINGS LIMITED

奮發國際控股有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock code: 01130)

VERY SUBSTANTIAL ACQUISITION RELATING TO THE PLANTATION BUSINESS

DISCLOSURE PURSUANT TO RULE 14.36 OF THE LISTING RULES FURTHER DELAY IN DESPATCH OF CIRCULAR

Reference is made to the Announcement in relation to, among other things, the Acquisition. This announcement is made pursuant to rule 14.36 of the Listing Rules.

Reference is also made to the 1st Delay Announcement, the 2nd Delay Announcement and the 3rd Delay Announcement regarding the delay in despatch of the Circular. Application has been made to the Stock Exchange for the date of despatch of the Circular containing, among other things, details of the Acquisition and other disclosures in connection with the Acquisition required pursuant to the Listing Rules to the Shareholders to be further extended to a date on or before 30 September 2008.

DISCLOSURE PURSUANT TO RULE 14.36 OF THE LISTING RULES

Reference is made to the announcement of the Company dated 4 July 2008 (the “**Announcement**”) in relation to, among other things, the Acquisition. Capitalized terms used herein shall have the same meanings as defined in the Announcement unless defined otherwise.

Pursuant to Rule 14.36 of the Listing Rules, the Board wishes to add the following information, which has not been included in the Announcement, in relation to the Acquisition Agreement and the Concession Agreement: -

(1) Acquisition Agreement

- (a) According to the audited balance sheet of Ample Rich as at 30 June 2008, the Loan to be acquired from the Vendor shall be adjusted to HK\$1,705,105 from HK\$1,068,574.78.

- (b) As security for the repayment of HK\$100,000,000.00 under the Promissory Note, the Company shall at Completion, enter into a share mortgage in favour of the Vendor in relation to (a) all those issued shares in Wylkeen, representing the entire issued capital held by the Company; and (b) all those issued shares in Benefun (BVI), representing the entire issued capital held by the Company. The total amount of the consolidated net asset values of Wylkeen and Benefun (BVI) is HK\$58,758,000.
- (c) After the date of the Announcement, the Company and the Vendor have agreed to include an additional condition precedent to Completion, namely, the Vendor having procured PRC Company to enter into a supplemental agreement with XPCC to supplement the terms of the Concession Agreement by providing that PRC Company shall have the right to terminate the lease of the Relevant Lands (as defined below) if PRC Company and XPCC fail to reach an agreement on the concession fees from the 16th year of the term of the Concession Agreement.

(2) Concession Agreement

- (a) The Consideration of CA consists of 2 parts, namely (i) the consideration for purchase of certain plant and equipment in the maximum amount of RMB9,000,000; and (ii) the concession fees of the Subject Plantation Land in the total amount of RMB72,320,000.
- (b) The consideration for purchase of certain plant and equipment is subject to valuation adjustment, on a dollar-to-dollar basis, by reference to an independent valuation report to be issued by an independent valuer within three months after the date of the Concession Agreement provided that the maximum amount of the said consideration is RMB 9,000,000.
- (c) The concession fees of two pieces of land of the Subject Plantation Land (the “**Relevant Land**”) in the total area of 20,000 Chinese mu are subject to adjustment (to be agreed between PRC Company and XPCC) from the 16th year of the term of the Concession Agreement upon the condition that the new concession fees will not be higher than the relevant prevalent most preferential conditions and consideration applicable to the Subject Plantation Land as promulgated by the relevant government authority at that time. Save for the above condition, there is no maximum cap on the adjustment of the said concession fees of the Relevant Land. The additional concession fees (if any) after such adjustment will be borne by the Enlarged Group.

FURTHER DELAY IN DESPATCH OF CIRCULAR

Reference is also made to the announcement of the Company dated 25 July 2008 (the “**1st Delay Announcement**”), the announcement of the Company dated 4 September 2008 (the “**2nd Delay Announcement**”) and the announcement of the Company dated 12 September 2008 (the “**3rd Delay Announcement**”) regarding the delay in despatch of the Circular.

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to despatch a circular (the “**Circular**”) containing, among other things, details of the Acquisition and other disclosures in connection with the Acquisition required pursuant to the Listing Rules to the Shareholders within 21 days after publication of the Announcement, which is on or before 25 July 2008.

As announced in the 1st Delay Announcement, the 2nd Delay Announcement and the 3rd Delay Announcement, application had been made to the Stock Exchange for waivers from strict compliance with Rule 14.38 of the Listing Rules and for an extension of time for despatch of the Circular to a date on or before 4 September 2008, further up to 12 September 2008 and then up to 26 September 2008 respectively. Such waivers had been granted by the Stock Exchange.

As further time is required to arrange printing of the copy Circular for despatch to the Shareholder, application has been made to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules and for a further extension of time for despatch of the Circular to a date on or before 30 September 2008.

DEFINITIONS

The following words and phrases used in this announcement have the following meaning:

“Benefun (BVI)”	Benefun (BVI) Limited, a company incorporated in the British Virgin Islands on 18 March 1996, a wholly-owned subsidiary of the Company. Benefun (BVI) holds 75% of the entire equity interests in Fun (Xiamen)
“Completion”	completion of the Acquisition Agreement in accordance with the terms thereof
“Enlarged Group”	the Group together with Ample Rich and its subsidiaries
“Fun (Xiamen)”	Fun (Xiamen) Enterprise Corp. Limited, a wholly-foreign owned enterprise established in the PRC on 28 February 1986 owned as to 25% by Wylkeen and 75% by Benefun (BVI). Fun (Xiamen) owns the entire equity interests in Zhangzhou Gao Hui, and is the registered owner of all those pieces or parcels of lands and the buildings thereon situated at and known as Xin He Industrial Garden (廈門湖里區殿前新禾工業園1-18號)
“Wylkeen”	Wylkeen Investment Limited, a company incorporated in the British Virgin Islands on 13th March 1996, a wholly-owned subsidiary of the Company. Wylkeen holds 25% of the entire equity interests in Fun (Xiamen)
“Subject Plantation Land”	the plantation land of XPCC (新疆石河子農八師一四二團村地), a site owned by XPCC, consisting of four pieces of lands
“Zhangzhou Gao Hui”	Zhangzhou City Gao Hui Property Development Company Limited, a limited liability company incorporated under the laws of the PRC on 28 July 1999 and a wholly-owned subsidiary of Fun (Xiamen). Zhangzhou Gao Hui is the registered owner of all those pieces or parcels of lands and the buildings thereon situated at and known as Pearl Garden (2004挂-08號八卦樓東側明珠花園)

By Order of the Board
Benefun International Holdings Limited
Tan Sim Chew
Chairman

25 September 2008, Hong Kong

As at the date of this announcement, the Board comprises of four executive directors, namely Mr. TAN Sim Chew, Mr. ZHONG Ma Ming, Mr. FU Zi Cong and Mr. LO King Fat, Lawrence, and three independent non-executive directors, namely Mr. CHEUNG Ngai Lam, Mr. TSANG Chung Yu and Mr. LI Chun Ming, Raymond.

** For identification purposes only*