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*(Incorporated in Bermuda with limited liability)
(Stock Code: 00380)*

MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED TRANSACTION

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of Softpower International Limited (the “**Company**”) is pleased to announce that on 15 December 2017 (after trading hours), 深圳市中冠科技發展有限公司 (Shenzhen Zhongguang Technology Development Co., Ltd*) (a limited company incorporated in the PRC and a wholly-owned subsidiary of the Company), as potential subscriber (the “**Subscriber**”), entered into a non-legally binding memorandum of understanding (the “**MOU**”) with 北京華奧農科玉育種開發有限責任公司 (Agria NKY Seeds Co., Ltd*) (the “**Target Company**”) and Agria Corporation (the “**Guarantor**”). Pursuant to the MOU, the Subscriber intends to inject capital into and subscribe the equity interests in the Target Company (the “**Proposed Transaction**”). The Target Company is an enterprise established in the PRC principally engaged in the research, production and marketing of corn seeds in PRC.

Principal Terms of the MOU

Date:

15 December 2017 (after trading hours).

Parties:

- (i) The Subscriber;
- (ii) The Target Company; and
- (iii) The Guarantor.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Target Company is ultimately controlled by Mr. Lai Guanglin, an executive Director and the Chairman of the Company. Therefore, the Proposed Transaction, if materialised, may constitute a notifiable transaction and connected transaction for the Company under the Listing Rules.

Consideration

The consideration for the Proposed Transaction and the manner of payment shall be further negotiated between the Subscriber and the Target Company and be determined in the Formal Agreement (as defined below).

Earnest Deposit

Pursuant to the MOU, the earnest deposit in the amount of HK\$15,000,000 ("**Earnest Deposit**") will be made by the Subscriber to the Target Company within ten business days after the execution of the MOU.

Upon completion of the Proposed Transaction, the Earnest Deposit will be applied towards part payment of the consideration to be agreed upon in the Formal Agreement. In the event that the Formal Agreement is not entered into upon the expiry of the Valid Period (as defined below), the Earnest Deposit will be returned to the Subscriber within ten business days upon request by the Subscriber.

Guarantee

The Guarantor is the ultimate beneficial owner of the Target Company, and the Guarantor shall irrevocably guarantee the duly performance of the duties and obligations of the Target Company under the MOU (including without limitation the return of the Earnest Deposit).

Due Diligence Review

Pursuant to the MOU, the Subscriber may, within the Valid Period (as defined below), conduct due diligence review on, including but without limitation the incorporation and subsisting status, assets, liabilities, business operations status of the Target Company upon signing of the MOU. The Target Company shall use its best endeavours to procure the Target Company and its agent to provide such assistance and information as is necessary for the Subscriber to complete its due diligence review on the Target Company.

Exclusivity

After the date of execution of the MOU and before 31 May 2018 (or such other date as agreed between the Company and the Target Company in writing) (the "**Valid Period**"), the Subscriber shall have exclusive right to negotiate with the Target Company in relation to the terms of the Proposed Transaction. During the Valid Period, the Target Company shall not directly or indirectly negotiate or agree with any other party with respect to potential transaction regarding its capital equity or business without prior written consent of the Subscriber.

Formal Agreement

The Subscriber and the Target Company shall use their best endeavours to procure a legally binding formal agreement in relation to the Proposed Transaction (“**Formal Agreement**”) within the Valid Period.

Termination

The MOU will be terminated at the earlier of:

- (i) the expiry of the Valid Period; or
- (ii) the date of execution of the Formal Agreement.

Binding Effect

Save for the provisions relating to the due diligence review, Earnest Deposit, guarantee, exclusivity, confidentiality, termination, notices, binding effect, governing law and jurisdiction, the MOU does not constitute a legally binding agreement on the parties to the MOU.

GENERAL

As at the date of this announcement, the terms and conditions of the Proposed Transaction are still being negotiated and no legally binding agreement has been entered into. The Proposed Transaction, if materialised, may constitute a notifiable transaction and connected transaction for the Company under the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

As the Proposed Transaction may or may not proceed, the shareholders and investors of the Company are reminded to exercise caution when dealing in the Shares.

By order of the Board
Softpower International Limited
Lai Guanglin
Chairman

Hong Kong, 15 December 2017

As at the date of this announcement, the Board comprises Mr. Lai Guanglin, Mr. Yu Ben Ansheng and Mr. Lai Fulin as executive Directors; Mr. U Kean Seng as non-executive Director; and Mr. Wong Yee Shuen, Wilson, Mr. Chen Wei Wen and Mr. Guan Zhiqiang as independent non-executive Directors.

* *for identification purpose only*