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*Unless otherwise defined herein, capitalised terms used in this announcement shall have the same respective meanings as defined in the Prospectus.*

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## **CHINA CORN OIL COMPANY LIMITED**

### **中國玉米油股份有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1006)**

## **EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option referred to in the Prospectus was fully exercised by Taifook Securities on 30 December 2009 in respect of 26,250,000 Shares, representing 15% of the Offer Shares initially available under the Share Offer (before the exercise of the Over-allotment Option), for the sole purpose of covering the over-allocations in the Placing.

The Over-allotment Shares will be issued and allotted by the Company at HK\$3.59 per Share (excluding brokerage fee of 1%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.004%), being the Offer Price in connection with the Share Offer.

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Pursuant to the Stock Borrowing Agreement, Taifook Securities has borrowed 26,250,000 Shares from Corn Oil Luxembourg to cover the over-allocations in the Placing. The Over-allotment Shares would be used to facilitate the return in full to Corn Oil Luxembourg of such 26,250,000 borrowed Shares (the “**Borrowed Shares**”).

As announced on 23 December 2009, Corn Oil Luxembourg was put into liquidation with effect on 22 December 2009. During such liquidation process, the liquidator of Corn Oil Luxembourg (the “**Liquidator**”) has decided to distribute all the Shares held by Corn Oil Luxembourg (including the Borrowed Shares) to its shareholders on pro-rata basis, save that 153,619 Shares held by Corn Oil Luxembourg, representing the aggregate pro-rata entitlement of certain investor(s) of Corn Oil Luxembourg which cannot be located by the Liquidator as of the dates when such decisions were made, will not be distributed pursuant to such decisions (the “**Relevant Distribution**”).

Listing of and permission to deal in the Over-allotment Shares have been granted by the Listing Committee.

As shown in the shareholding structure of the Company set out below, immediately before Corn Oil Luxembourg was put into voluntary liquidation on 22 December 2009, 40.25% of the issued share capital of the Company was held by the public Shareholders. Such shareholding percentage would be increased to approximately 48.88% of the enlarged issued share capital of the Company immediately after the issue and allotment of the Over-allotment Shares by the Company and the completion of the Relevant Distribution.

The shareholding structure of the Company immediately before Corn Oil Luxembourg was put into voluntary liquidation on 22 December 2009 and immediately after the issue and allotment of the Over-allotment Shares by the Company and the completion of the Relevant Distribution would be as follows:

| Shareholders                      | Immediately before the<br>voluntary liquidation of<br>Corn Oil Luxembourg |  | Immediately after the<br>issue of the Over-allotment<br>Shares and the completion<br>of the Relevant<br>Distribution (Note 6) |  |
|-----------------------------------|---|--|---|--|
|                                   | Number<br>of Shares   | Approximate<br>percentage of<br>shareholding | Number<br>of Shares   | Approximate<br>percentage of<br>shareholding |
| Corn Oil Luxembourg               | 298,750,000<br>(Note 4)   | 59.75%                                       | 153,619   | 0.03%  |
| Sanxing Trade (Note 1)            | –   | –  | 268,883,630   | 51.09%                                       |
| Public                            |   |  |   |  |
| – CDCP, GMIM and NGPL<br>(Note 2) | –   | –  | 49,462,772  | 9.40%  |
| – Public Shareholders<br>(Note 3) | 201,250,000<br>(Note 5)   | 40.25%                                       | 207,749,979   | 39.48%                                       |
| Total                             | <u>500,000,000</u>  | <u>100.00%</u>                               | <u>526,250,000</u>  | <u>100.00%</u>                               |

*Notes:*

1. Sanxing Trade is wholly owned by Sanxing Grease, which in turn is owned as to 33.6% by Shandong Sanxing as at the date of this announcement.
2. The Shares held by GMIM are in the name of State Street Bank and Trust Company as trustee for the First Plaza Group Trust II. First Plaza Group Trust II is a group trust established by GMIM in 2008 and its trustee is State Street Bank and Trust Company. To the best of the Directors' knowledge, CDCP, GMIM and NGPL were Independent Third Parties and not parties acting in concert with the Controlling Shareholders as at the date of this announcement.
3. Public Shareholders include certain investor who did not accept the privatisation offer for Corn Oil Luxembourg and who is interested in 6,499,979 Shares. For further details of the privatisation offer, please refer to the section headed "History and corporate development" in the Prospectus.
4. This does not include the Borrowed Shares borrowed by Taifook Securities pursuant to the Stock Borrowing Agreement.
5. This includes the Borrowed Shares borrowed by Taifook Securities which were over-allocated in the Placing.
6. Pursuant to the Relevant Distribution, (i) on 23 December 2009, Corn Oil Luxembourg transferred 242,633,630 Shares to Sanxing Trade, 16,489,739 Shares to CDCP, 16,489,739 Shares to GMIM and 16,483,294 Shares to NGPL; and (ii) on or about 30 December 2009, the Borrowed Shares returned by Taifook Securities were or will be transferred by Corn Oil Luxembourg to Sanxing Trade.

The additional net proceeds to be received by the Company upon the issue and allotment of the Over-allotment Shares are estimated to be approximately HK\$91.9 million which will be applied by the Company in the manner and proportions as set out in the paragraph headed "Use of proceeds" in the section headed "Future plans and use of proceeds" in the Prospectus. With the Over-allotment Option exercised in full, the total net proceeds from the Share Offer received and to be received by the Company are estimated to be approximately HK\$682.6 million.

Following the exercise of the Over-allotment Option and the issue and allotment of the Over-allotment Shares, the Company continues to comply with the public float requirement under Rule 8.08(1)(a) of the Listing Rules. No new Shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 10.08 of the Listing Rules.

By order of the Board  
**China Corn Oil Company Limited**  
**Wang Mingxing**  
*Chairman*

Hong Kong, 30 December 2009

*As at the date of this announcement, the executive Directors are Mr. Wang Mingxing, Mr. Wang Mingfeng, Mr. Wang Mingliang, Mr. Wang Fuchang, Mr. Sun Guohui and Mr. Huang Da; the non-executive Director is Mr. Ke Shifeng; and the independent non-executive Directors are Mr. Liu Shusong, Mr. Wang Ruiyuan and Mr. Wang Aiguo.*