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## CHINA FORESTRY HOLDINGS CO., LTD.

中國森林控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 930)

### ANNOUNCEMENT VOTING RESULTS OF THE ANNUAL GENERAL MEETING HELD ON 17 FEBRUARY 2012 AND REMOVAL OF DIRECTOR

Reference is made to the circular of China Forestry Holdings Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 13 January 2012 (the “**Circular**”). Terms used herein shall have the same meanings as defined in the Circular, unless the context requires otherwise.

The board of directors (the “**Board**”) of the Company is pleased to announce that at the annual general meeting (the “**AGM**”) of the Company held on 17 February 2012, all the proposed resolutions as set out in the notice of the AGM dated 13 January 2012 were duly passed by the Shareholders by way of poll. The poll results in respect of all the resolutions proposed at the AGM are as follows:

Ordinary Resolutions	Number of votes (%)	
	For	Against
1. To adopt the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2010 together with the reports of the directors and auditors of the Company thereon.	2,171,220,400 92.99%	163,593,400 7.01%
2. To approve a distribution of a special dividend of HK0.0254 per share of the Company and to authorise the Board to implement the aforesaid distribution.	2,289,810,000 96.17%	91,126,600 3.83%
3. (a) To re-elect Mr. Lin Pu as an executive director of the Company (“ <b>Director</b> ”).	2,372,836,600 100%	0 0%
(b) To re-elect Mr. Li Zhi Tong as a non-executive Director.	2,126,149,400 91.38%	200,564,400 8.62%
(c) To re-elect Mr. Meng Fan Zhi as a non-executive Director.	2,370,836,600 99.92%	2,000,000 0.08%

Ordinary Resolutions		Number of votes (%)	
		For	Against
3.	(d) To re-elect Mr. Wong Tak-jun as an independent non-executive Director.	2,126,149,400 91.38%	200,564,400 8.62%
	(e) To re-elect Mr. Liu Can as an independent non-executive Director.	2,126,347,400 91.39%	200,366,400 8.61%
	(f) To re-elect Mr. Zhu De Miao as an independent non-executive Director.	2,372,836,600 100%	0 0%
	(g) To re-elect Ms. Hsu Wai Man, Helen as an independent non-executive Director.	2,372,836,600 100%	0 0%
4.	To authorize the Board to fix the Directors' remuneration.	2,183,370,600 91.70%	197,566,000 8.30%
5.	To re-appoint Crowe Horwath (HK) CPA Limited as auditors of the Company and to authorize the Board to fix their remuneration.	2,378,936,600 99.92%	2,000,000 0.08%
6.	To remove Mr. Li Han Chun as an executive Director.	2,372,836,600 100%	0 0%
7.	To grant a general mandate to the Board to allot, issue and deal with the Company's additional shares as set out in resolution no. 7 of the notice (the "Notice") convening the AGM.	1,945,192,800 81.70%	435,743,800 18.30%
8.	To grant a general mandate to the Board to repurchase the Company's shares as set out in resolution no. 8 of the Notice.	2,373,266,600 99.68%	7,670,000 0.32%
9.	To extend the general mandate to the Board to allot, issue and deal with such number of additional shares as may be repurchased by the Company as set out in resolution no. 9 of the Notice.	2,080,626,800 87.39%	300,309,800 12.61%

As at the date of the AGM, the issued share capital of the Company was 3,060,452,000 shares, which was the total number of shares entitling the holders to attend and vote for or against all resolutions at the AGM. None of the shares issued by the Company entitles any shareholder to attend and vote only against any of the proposed resolutions at the AGM.

Computershare Hong Kong Investor Services Limited, the Company's Hong Kong share registrar, acted as the scrutineer for the vote-taking at the AGM.

In relation to Resolution No. 2 above, the dividend will be paid on or about 9 March 2012 to shareholders whose names appear on the register of members of the Company on 24 February 2012.

## REMOVAL OF DIRECTOR

Pursuant to the ordinary resolution passed by the shareholders of the Company at the AGM, Mr. Li Han Chun has been removed as an executive Director with effect from 17 February 2012.

As disclosed in the Circular, which made reference to the announcement of the Company dated 29 April 2011, it was revealed in the course of the audit process in respect of the financial statements for the year ended 31 December 2010, that a group of former senior management members led by Mr. Li Han Chun (the “**Former Management Team**”) had conducted the Group’s business operations in manners not authorized by the Board, including the failure to procure insurance, conducting sales in cash without proper records and purchase of wood logs for trading purposes. Such activities were concealed from the Board. The Board, in reviewing the business of the Group and in its decision making process, was presented with falsified documents and information. On 14 February 2011, the Board removed Mr. Li Han Chun as the chief executive officer of the Group and all of his powers and duties in the Group were terminated.

Mr. Li Han Chun was detained by the public security bureau of Guizhou Province, the PRC since 24 February 2011 for embezzlement of funds of approximately RMB30 million.

Save as disclosed above and in the Circular, there is no matter in relation to the removal of Mr. Li Han Chun as an executive Director that needs to be brought to the attention of holders of securities of the Company.

By Order of the Board  
**China Forestry Holdings Co., Ltd.**  
**Li Kwok Cheong**  
*Chairman*

Hong Kong, 17 February 2012

*As at the date of this announcement, the executive Directors of the Company are Mr. Li Kwok Cheong and Mr. Lin Pu, the non-executive Directors of the Company are Mr. Xiao Feng, Mr. Li Zhi Tong and Mr. Meng Fan Zhi, and the independent non-executive Directors of the Company are Mr. Wong Tak-jun, Mr. Liu Can, Mr. Zhu De Miao and Ms. Hsu Wai Man, Helen.*